Overview Report: *Gaming Control Act* Hansard

I. Scope of Overview Report

1. This overview report attaches Hansard related to the enactment of and amendments to the *Gaming Control Act*, S.B.C. 2002, c. 14 (the "***GCA***").

II. Gaming Control Act Hansard

2. The following acts enacted or amended the *GCA*. Excerpts of Hansard associated with the following acts are attached as Appendix 'A.'

a. *Gaming Control Act*, S.B.C. 2002, c. 14 - Appendix A: p. 2.

b. *Community Charter Transitional Provisions, Consequential Amendments and other Amendments Act, 2003*, S.B.C. 2003, c. 52, s. 80 [No Relevant Hansard].

c. *Business Corporations Amendment Act*, *2003*, S.B.C. 2003, c. 70, ss. 154-157 [No Relevant Hansard].

d. *Miscellaneous Statutes Amendment Act (No. 2), 2004*, S.B.C. 2004, c. 51, s. 17 – Appendix A: p. 20.

e. *Miscellaneous Statutes Amendment Act (No. 3), 2004*, S.B.C. 2004, c. 67, ss. 8-14 – Appendix A: p. 56.

f. *Public Safety and Solicitor General Statutes Amendment Act, 2006*, S.B.C. 2006, c. 28, ss. 1-16 - Appendix A: p. 60.

g. *Public Inquiry Act*, S.B.C. 2007, c. 9, s. 42 – Appendix A: p. 68.

h. *Attorney General Statutes Amendment Act, 2007*, S.B.C. 2007, c. 14, s. 215, Sch. 15, Item 31 [No Relevant Hansard].

i. *Miscellaneous Statutes Amendment Act (No. 2), 2010*, S.B.C. 2010, c. 6, s. 97, Sch. 7, Item 16 [No Relevant Hansard].

j. *Miscellaneous Statutes Amendment Act (No. 3), 2010*, S.B.C. 2010, c. 21, ss. 89-112 - Appendix A: p. 70.

k. *Veterinarians Act*, S.B.C. 2010, c. 15, s. 95 [No Relevant Hansard].

l. *Finance Statutes Amendment Act*, S.B.C. 2012, c. 12, s. 116 [No Relevant Hansard].

m. *Budget Measures Implementation Act, 2012*, S.B.C. 2012, c. 8, ss. 1-4 - Appendix A: p. 91.

n. *Family Law Act*, S.B.C. 2011, c. 25, s. 361 [No Relevant Hansard].

o. *Miscellaneous Statutes Amendment Act (No. 2), 2014*, S.B.C. 2014, c. 31, ss. 5-6 - Appendix A: p. 112.

p. *Societies Act*, S.B.C. 2015, c. 18, s. 311 [No Relevant Hansard].

q. *Miscellaneous Statutes (Signed Statements) Amendment Act, 2016*, S.B.C. 2016, c. 4, s. 7 [No Relevant Hansard].

r. *Attorney General Statutes Amendment Act, 2018*, S.B.C. 2018, c. 49, ss. 22-24 - Appendix A: p. 125.

s. *Gaming Control Amendment Act, 2019*, S.B.C. 2019, c. 35, ss. 1-2 - Appendix A: p. 134.

t. *Miscellaneous Statutes (Minor Corrections) and Statute Revision Amendment Act, 2019*, S.B.C. 2019, c. 40, s. 12 [No Relevant Hansard].

APPENDIX A

Report of the Debates of the Legislative Assembly Regarding Enactment and Amendment of the *Gaming Control Act*: 2002 – 2019

Table of Contents

I. Bill 6: Gaming Control Act

a) *First Reading*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 37th Parl, 3rd Sess, Vol 3, No 18 (4 March 2002) at 1433 (Hon R Coleman), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/37th-parliament/3rd-session/20020304pm-Hansard-v3n18 - bill06-1R>.

Hon. R. Coleman presented a message from Her Honour the Lieutenant-Governor: a bill intituled Gaming Control Act.

Hon. R. Coleman: I move that the bill be read a first time now.

Motion approved.

Hon. R. Coleman: I am pleased to introduce Bill 6, the Gaming Control Act. This bill will provide the legislative framework necessary to bring stability to the gaming industry. It will ensure a carefully regulated gaming environment and will ensure the integrity of gaming in British Columbia.

My ministry conducted a review, and our review identified a number of inefficiencies in the management of gaming in British Columbia and indicated the need for restructuring. It highlighted a need for a comprehensive legislative framework. The proposed Gaming Control Act will bring all sectors of gaming under one comprehensive piece of legislation. It will replace the Lottery Act, the Lottery Corporation Act, the Horse Racing Act and the Horse Racing Tax Act.

The bill will establish a statutory authority for some functions not currently legislated. For example, it will give us the ability to conduct audits and investigations.

The bill will provide British Columbians with assurances that management of gaming is fair, open and transparent.

I move that Bill 6 be placed on orders of the day for second reading at the next sitting of the House after today.

Bill 6 introduced, read a first time and ordered to be placed on orders of the day for second reading at the next sitting of the House after today.

b) *Second Reading*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 37th Parl, 3rd Sess, Vol 4, No 5 (13 March 2002) at 1906 (Hon R Coleman), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/37th-parliament/3rd-session/20020313pm-Hansard-v4n5#bill06-2R>.

Hon. G. Plant: I call second reading of Bill 6.

GAMING CONTROL ACT

Hon. R. Coleman: The introduction of the Gaming Control Act is another step in reorganizing gaming in British Columbia to replace what was a dysfunctional operation with a seamless operation without influence by members of this House on licensing and issues to do with gaming so that it's kept at arm's length from government.

Gaming in this province, Mr. Speaker, is conducted under the authority of the Criminal Code of Canada. The Criminal Code allows each province to conduct and manage gaming or to license charitable and religious organizations to conduct and manage some forms of gaming. Until recently gaming in British Columbia has been managed through a number of agencies, commissions, several laws and numerous regulations. Five different agencies had a role in regulating, licensing, inspecting, managing, auditing and operating gaming in this province. They were the gaming policy secretariat, the B.C. Gaming Commission, the gaming audit and investigation office, the B.C. Racing Commission and the B.C. Lottery Corporation.

At present there are four statutes dealing with gaming. They are the Lottery Act, the Lottery Corporation Act, the Horse Racing Act and the Horse Racing Tax Act. In addition, there are numerous policies and directives relative to gaming. One of the things I found out as I moved into the gaming sector as a minister and looked at it was that we had not given the legislative authority for a lot of the work we asked our staff to conduct themselves, particularly in audit and investigation. This act fixes that.

In addition to the numerous policies and directives related to gaming, despite all this, several aspects of the gaming industry are not covered by legislation. For example,

as I said earlier, the registration, audit and investigatory functions of gaming have been occurring but haven't had the legislative authority to do so. It's very important that we fix that, Mr. Speaker, so that we can move on in a professional manner.

When we took office, we reviewed gaming management structure, and our review identified a great deal of duplication. It identified inefficiencies. It highlighted the need for restructuring, and it highlighted the need for a comprehensive legislative framework. As a result, we announced a new management model for gaming in September of 2001. The five agencies that previously were responsible for gaming were consolidated into two: the gaming policy and enforcement branch and the B.C. Lottery Corporation.

The B.C. Lottery Corporation is responsible for the day-to-day operations of gaming, including commercial bingo halls, a change which I've moved over from the Gaming Commission. The gaming policy and enforcement branch is responsible for enforcement functions and, for now, charitable gaming such as 50-50 draws and meat raffles. The government sets a broad policy within which both of these agencies operate. These changes were made to improve the efficiency of the gaming sector and to reduce the overlap and duplication.

In December we made some further changes to policy to make it easier for charities to spend and distribute funds relative to gaming in British Columbia. We had a regime that believed that charities didn't know what to do with their money and how to handle it. We had a regime that actually choked off the volunteer, that stopped it from being innovative within community with some fairly ridiculous and silly rules for what these people had to do when they were giving their volunteer time to their community.

We made some changes in December. We allowed gaming revenues to be used for capital projects, something the charities have been asking for, for years, something that had not been done for some time but had been allowed in previous governments. The allowance for a charity now to accumulate money for a capital project will once again see charity dollars going into things like community centres, swimming pools, parks and other recreation activities within our communities as well as other opportunities.

[1920]

We removed a requirement that existed in the previous Gaming Commission that every time an organization wished to spend $1,000 or more of money raised through gaming, they had to ask permission of government for where they could send the money. We had groups out there that were constantly on a bookkeeping activity having to ask government for permission to donate money to their communities, which it raised through charitable gaming. We removed the cap on how much a given group could raise in a year.

If you could imagine, the Seniors Lottery in this province has the opportunity to run three lotteries a year. Under the previous rules, if the first two lotteries were too successful, they weren't allowed to run the third, because they had a cap on how much money they'll actually allow us to raise to give to seniors groups in British Columbia. We removed that.

We did a number of other things. We allowed community groups with lottery licences to donate to each other so that groups could get together in a community and pool their resources from charitable gaming dollars for the benefit of a larger project or issue within their community. The previous government had actually stopped them from being allowed to donate to each other if the other had a bingo or a lottery licence.

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We eased the residency requirements for non-profit boards so organizations tied into national relationships could have people represented that would meet up with their constitution and bylaws. We've streamlined the application process, including the need for non-profits to resubmit documents that they had been submitting to government year after year when applying for the same licences.

We also recognized the most important thing that I don't think the previous government understood about non-profit organizations: their value to the community is incredible, and the most important thing is to keep the volunteer organizations whole. In order to do that, they need the ability to have some funds for themselves to administer their organizations. In the past they were restricted to 5 percent of their net revenues that they could put to administration and were restricted on how they could spend that. We took the restrictions off and raised it to 7 percent so those organizations can actually function properly within their community.

Bill 6 provides a comprehensive legislative framework. The bill formalizes the mandate and financial administration considerations of the B.C. Lottery Corporation. The bill confirms the authority of the corporation to conduct and manage lotteries, casinos and commercial bingo halls in B.C.

It establishes a role for the corporation in regard to the future of the horse-racing industry. The bill establishes the framework for the location or relocation of gaming facilities and ensures that those decisions will be made by the B.C. Lottery Corporation ? a very key point, because in the past many decisions relative to the relocation or assignments of casinos or bingos and their locations were influenced by members of government, members of executive council or Members of the Legislative Assembly by lobbying.

That is now arm's length from government. That is in the hands of the Lottery Corporation, who have a mandate to manage this sector. It will never again happen after the passage of Bill 6 that the influence of a minister should ever have any influence

whatsoever relative to a gaming facility in British Columbia relative to its relocation, its operation or its management.

Bill 6 formalizes the mandate and responsibility of the gaming policy and enforcement branch. The bill supports the branch's responsibility for policy and legislation, standards, regulation, licensing, registration, distribution of gaming proceeds and enforcement of all sectors of gaming.

It provides all the necessary authority for licensing of charitable gaming events and horse racing. It provides the statutory authority for the registration of gaming service providers and gaming workers and those organizations and individuals involved in the industry. It also provides the statutory authority for audits and investigations in response to allegations of wrongdoing and our ability to manage the sector of gaming that we want to go after, after we settle this one down, and that is the illegal gaming in British Columbia.

Bill 6 also provides authorization to provide gaming funds to eligible community organizations. It eliminates duplication and improves accountability. It provides for the fair and transparent administration of gaming.

[1925]

The bill fulfils the government's commitment to establish legislation that provides a stable and carefully regulated gaming environment in British Columbia. This bill ensures the integrity of gaming for all British Columbians, and I'm proud to bring this bill to the House today because it's high time that we got this sector under control.

I move that the bill be now read a second time.

Motion approved.

Hon. R. Coleman: I move that the bill be referred to a Committee of the Whole House to be considered at the next sitting of the House after today.

Bill 6, Gaming Control Act, read a second time and referred to a Committee of the Whole House for consideration at the next sitting of the House after today.

c) *Committee of the Whole House*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 37th Parl, 3rd Sess, Vol 6, No 2 (9 April 2002) at 2683 (Hon R Coleman), online: < https://www.leg.bc.ca/documents-data/debate-transcripts/37th-parliament/3rd-session/20020409pm-Hansard-v6n2#bill06-C>.

Hon. R. Coleman: I call committee on Bill 6.

Committee of the Whole House

GAMING CONTROL ACT

The House in Committee of the Whole (Section B) on Bill 6; T. Christensen in the chair.

The committee met at 4:24 p.m.

Sections 1 to 6 inclusive approved.

On section 7.

Hon. R. Coleman: I'd like to move the amendment to section 7 that is placed with the Clerk.

> [SECTION 7(1), by deleting the proposed paragraph (j) and substituting the following:(j) must do other things the minister may require and may do other things the minister may authorize.]

Amendment approved.

[1625]

Section 7 as amended approved.

Sections 8 to 12 inclusive approved.

On section 13.

J. MacPhail: Under section 13 and I think it might be 14 as well, I am curious to know a couple of things about the amount of revenue that will be flowing in through gaming. One is on the question of expansion. Section 13 talks about….Net income from the Lottery Corporation, other than from casino gaming and from bingo, must go into the consolidated revenue fund.

The next section I will speak to in a moment, if so directed, says that the balance of net income in each fiscal year goes into the consolidated revenue fund. Basically, between those two sections, the net revenue goes to the government — the consolidated revenue fund.

How does the government restrict the flow of revenue so that there is no expansion of gaming, as they promised during the election?

Hon. R. Coleman: I guess the difference is between your net revenues and your gross revenues and what you do. We made a commitment during the election to stop the expansion of gaming as it existed relative to this sector. There was a decision made at a cabinet meeting in January to recognize some facility operators that had gone significantly down the path, based on legal opinion and information that we received that they should be allowed to continue down the path to receiving either their maximum allowable amount of slots or be permitted to move to a community that might accept them for slots because they had made some significant moves. After having done that, because we felt that was the exposure of government, we've said no more expansion of gaming.

J. MacPhail: Let me quote from a *Times Colonist* article of October 21, 2001. It's a quote from the article, so I'd like the minister to respond to this. Jacee Schaefer, whose company manages six casinos from B.C. Lottery Corporation, says the Solicitor General told her he wanted to explore "just what was meant by expansion." That's the end of the article. Schaefer told *Times Colonist* columnist Jody Paterson she was hopeful that would mean casinos would be allowed to "transfer licences from anti-slot communities and reopen slots in more welcoming environs."

Can the minister tell me whether that promise has been delivered upon?

Hon. R. Coleman: I'm not about to comment on the comments of an individual in a particular newspaper article. However, whatever comments may have been interpreted by this individual with any meeting I may have had with them, the reality is that we took forward a decision to cabinet. The cabinet decision was done in public, like we said we'd always make these decisions, in an open cabinet in Fort St. John. We've made the decision, and the sector will be managed by the B.C. Lottery Corporation under those guidelines for the future.

J. MacPhail: The minister may know that when I was minister responsible for gaming, I introduced an exposure bill. I've been comparing the two, and it's fair enough. I'm just trying to find in the Solicitor General Act where it has any say or regulation about when licensees apply to move, there will not be an expansion of gaming.

[1630]

Hon. R. Coleman: Maybe I could refer the member back to section 6(1), where the minister may issue written directives to the Lottery Corporation as a matter of

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general policy. The Lottery Corporation is to comply with those directives. General policy is set by cabinet and has been set by cabinet. It's very clear that every non-slot casino in British Columbia is not going to be permitted to move. That is very clear as per the open cabinet decision.

Therefore, whether someone wants to apply or not, they can go ahead and apply, and the answer will be: "You're not eligible to move and get slot machines." The movement, of course…. We've turned the management of this sector over to the B.C. Lottery Corporation, because we feel the management of gaming and the decisions day to day on the business cases of how that sector is managed should be handled by an arm's-length corporation and not at the whim or decisions of the minister. Therefore, the corporation will handle any relocations within the parameters of the decisions of cabinet in January, and those were pretty clear.

J. MacPhail: That's exactly why I'm asking the questions. The policy of no expansion of gaming has to be made by the government. There's nothing in this legislation, where policy has become legislation, saying there will not be an expansion of gaming. It's all very well and good that the B.C. Lottery Corporation administer the policy set by the government, but the minister points me to the very clause that gives me concern. It says the minister may issue written directives to the Lottery Corporation on matters of general policy, and then he defines as general policy about the relocation of licences about whether they can expand or not.

How will the ordinary citizen, who may have missed that open cabinet meeting…? God forbid, I don't think there's many British Columbians who would have missed that open cabinet meeting. I know I certainly, if I'm about to miss it, try to tape it and play it over and over again, but I'm not sure every British Columbian is as dedicated as me. If they happen to miss that great cabinet meeting, how will they know that there won't be any expansion of gaming through relocation of licences?

Hon. R. Coleman: The intent of the piece of legislation is to set the parameters of how the gaming sector in British Columbia will be managed. There's not the intent for the legislation to bind future governments by policy. Policy is set by cabinets and by the government of the day. The policy that exists today is pretty clear. There's no expansion of gaming in British Columbia.

In January we said there were seven casinos in British Columbia that did not have slots. We said we felt that two of those had gone significantly down the road to make an investment and move towards relocation, and they should be allowed to continue down that road. The two others that didn't have their full complement of slot machines, who were looking to relocate and had gone significantly down the road, should be allowed to relocate. The other five would not be allowed to relocate, unless at some point in the future they could prove to us that they'd made significant steps we weren't aware of as a government and may have been in some situation for us to look at relocation.

The fact of the matter is that we're not relocating every casino without slots in British Columbia to a slot-friendly community. That's the policy. That's the policy of the government, and that will be the policy as long as this government is government.

J. MacPhail: It will be interesting to see how people can monitor that. I'm sure the minister will keep the public informed on how he's enforcing that policy.

Did the minister meet with the city of Vancouver relating to the Gaming Act and expansion of gaming and revenue-sharing on March 20?

Hon. R. Coleman: I don't have my schedule in front of me, but I did meet with the mayor of Vancouver with regard to some of the concerns their staff had put forward and dealt with those concerns at that time. Frankly, I think most of the concerns were administrative rather than legislative.

[1635]

J. MacPhail: We could save a lot of time then, if the minister would just update me. I won't bother to ask the questions on behalf of the city of Vancouver, my riding. They had concerns about expansion of gaming. They're a non-slot community. They also had concerns that the legislation was silent on honouring the memorandum of agreement from 1999, the revenue-sharing agreement between the Union of B.C. Municipalities and the provincial government. The minister can just tell me. Those were the two questions they discussed at their own council meeting, so the minister can just update me on what answers and reassurances he gave to the city of Vancouver.

Hon. R. Coleman: With regards to the slots, frankly, the mayor was told that the policy existed as it had existed with the previous government, that we will not at any time force slot machines on a local government that doesn't want them. That would be their call.

With regards to the expansion or the issue around UBCM and the memorandum of understanding, that's still in place. With regards to the city of Vancouver on the revenue-sharing, they have a 20-year contract. There are nine years to run, with a ten-year renewal. We felt we didn't have to put that in legislation. That is part of the management of gaming, and I assured the mayor that contract was still in place.

J. MacPhail: Just to be clear. The UBCM memorandum of agreement with the provincial government on revenue-sharing, signed in 1999, remains in full force and effect?

Hon. R. Coleman: That's correct.

J. MacPhail: The other concern, then, that the minister said was addressed was that the council had concerns that under the government's proposed Gaming

Control Act, municipal consent for changes to gaming activities was only required in cases of substantial change to the type or extent of casino gaming. They were concerned that the act didn't define what "substantial" was. Could the minister tell me what reassurances were given and how they were received?

Hon. R. Coleman: I think we've covered off local government approval in section 19(1), but for the member, it is basically that a substantial change is "to use or operate a facility, other than is permitted under section 18(2), as a gaming facility, relocate an existing gaming facility or substantially change the type or extent of lottery schemes or horse racing at a gaming facility, unless the Lottery Corporation first receives approval, in the prescribed form and manner, of the municipality, regional district or first nation that has authority over the land use planning of the place…."

That's what I referred the mayor to. They seemed comfortable with that. It's very clear that consultation has to take place before anything can happen. Obviously, with the way we've structured it, we're not looking at substantial change taking place in the sector, with the exception of those that we felt we had some responsibility to because of the process which they had entered into before the election of 2001.

The Chair: I note we are dealing primarily with sections 18 and 19 now. Does the member have a question in respect of section 13?

J. MacPhail: Yes, Mr. Chair, I note that too. I will ask my questions on that matter further when we get to sections 18 and 19. I'm just going to go back to the issue of revenue-sharing now.

Well, I'm reassured that the minister has said that the memorandum of agreement between UBCM and the provincial government dealing with revenue-sharing from gaming from 1999 remains in full force and effect. I'm sure that will reassure my municipality as well as other municipalities.

I'll save my other questions for further sections.

[1640]

Sections 13 to 17 inclusive approved.

On section 18.

J. MacPhail: Could the minister please advise me what dispute resolution mechanism there is when there is disagreement about location, relocation or substantial change?

Hon. R. Coleman: My understanding is that we require it in law and that it's to be worked out by the corporation, the UBCM and regulation.

J. MacPhail: Sorry, Mr. Chair. I note, again, that in section 21 — and I'm not there yet — it says dispute resolution as to the location or relocation of gaming facility. I think that meant when an individual objects to the location. Is the minister saying that it will be by regulation if a municipality disagrees with the application of what substantial change is and their input? It's by regulation that that dispute resolution mechanism will be set up?

Hon. R. Coleman: The dispute resolution that's described in section 21 actually deals with a neighbouring municipality that has a dispute over one being relocated in a municipality next to them. We're putting it in law that that has to occur. The dispute mechanism will be defined by the parties. I think that's the explanation for the member. I'm trying to bounce back between your relocation and substantial change and over to your dispute mechanism. I just want to make sure which one we want to talk about first.

J. MacPhail: I read section 21 the way the minister has described. What I'm asking for is a dispute resolution that is between a municipality and the provincial government that may involve a municipality saying: "Hey, whoa. Wait a minute. That's expansion of gaming that we don't want and we have no control over." That would be around the minister allowing for a licence that he would determine is not of a substantial change, and the municipality may say it is of a substantial change. What dispute resolution is there for the municipality and/or the provincial government with the municipality?

Hon. R. Coleman: Under section 19, basically, by law the municipality has a veto power, which means we can't relocate a facility within their region or first nation unless we first receive their approval in the prescribed form. I think we pretty well have covered that in law. There is no dispute mechanism, because we just can't do it unless we have an agreement.

Section 18 approved.

On section 19.

M. Hunter: I do have a question for the minister with respect to the term that appears in this section and in some subsequent sections: first nation. Could the minister explain to me what a first nation is in the context of this legislation?

[1645]

Hon. R. Coleman: First of all, it's the commonly used definition. It refers, basically, to first nations that had the land use planning over their lands, just like any municipality who should be consulted for input if it's either going in an adjacent municipality or something's being relocated or located in their municipality. This section would also preclude that relocation taking place by law without their permission.

Then section 21, relative to a neighbouring municipality, would mean that they would have input if they didn't want that. They would have that input just like any other municipality.

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M. Hunter: That's helpful, but it leads me to other questions.

I understand what we're trying to do in this legislation, and I understand where the authority of a municipality or a regional district is derived. They are derived from statutes.

First nation is a commonly used definition. But I think it's important, if we're relying on first nations to participate in decisions with respect to location or relocation of gaming facilities, that I at least need to understand: what authority do these first nations have? From what legislation is that authority derived, and what institutions allow the first nations community to make those decisions on their behalf?

I want to be sure that we are in fact referring in this legislation to a body politic and a legal institution, not just a collection of individuals who happen to be first nations, which in the research I've done on other pieces of legislation seems to be pretty loose. Here I think we're talking about a very important public policy initiative, and I'd like to understand what the authorities of these first nations are and where they are derived in the mind of the minister, if they're going to have a say in very important aspects of our gaming policy.

Hon. R. Coleman: I think it is very clear. It says: "…first nation that has authority over land use planning at the place where…." And then it goes on to the subsections where a location may take place. I think that's pretty clear.

It's not as broad as the member described, because we're dealing with actual land use planning that they have the authority for on a prescribed piece of property either in the municipality where the relocation is taking place or in the neighbouring municipality as we go to the next section. Somebody may want to relocate next door.

Obviously, there's not going to be a whole mess of relocations under this government. The fact of the matter is that when you define it, whether it be the municipality or regional district or first nation that has authority over land use planning, I think you have it covered.

M. Hunter: Would it be fair, then, to interpret the phrase in 19(1)(a), "first nation that has authority over land use" as currently today, without any jeopardy being suggested with respect to interpretations of future authorities that first nations might have that the only first nation governance that could currently act in this capacity would be a band council under the authority of the Indian Act? Is that a fair interpretation?

Hon. R. Coleman: The authority over land use planning is one of those ever-evolving things. To draw that parallel and draw it backward to other…. You could have two municipalities decide to amalgamate and become one, and now have the authority under a specific council instead of two councils. The same thing could happen relative to lands.

Let's be clear. This affects approval for gaming facilities that are coming in and being established in a community. It's not with respect to ones that already exist within communities. So this is to do with the future and the present. I don't think you can bind the future, because you don't know what the land base will be — that people will have authority for land use planning over 15 or 20 years from now. What it comes down to is that you have to have the authority of the land use planning in order to engage in this process.

M. Hunter: I don't want the minister to misinterpret my question. What I asked was: right here today, if this act were in force, would the first nation be limited currently to a group of aboriginal people who had authority to make such decisions on land use, which I understand to be only those band councils authorized under the Indian Act? That's my question today, and it's without prejudice, of course, to future developments and future governance arrangements.

I just need to understand what the term "first nation" means. And if it means, here today, a band council under the Indian Act, then I understand. If it's something else, I need to understand that too.

[1650]

Hon. R. Coleman: That was my understanding when I checked with our drafters.

Sections 19 to 29 inclusive approved.

On section 30.

Hon. R. Coleman: I move the amendment to section 30(2) that sits under my name on the order paper.

> [SECTION 30, by deleting the proposed subsection (2) and substituting the following:(2) The Lieutenant Governor in Council, by order, may delegate to the general manager the discretion under subsection (1) to license persons to conduct and manage gaming events in British Columbia.]

Amendment approved.

Section 30 as amended approved.

Sections 31 to 40 inclusive approved.

On section 41.

J. MacPhail: This is a section that deals with the ability of the corporation to award grants to eligible organizations. This is the opportunity for the minister and me to discuss what was a commitment to give at least $125 million annually to eligible charities from gaming revenue.

Now, in the fall of last year — it could have been at the cabinet meeting that I had taped; I'll go back and revisit it tonight — the Solicitor General announced that any charity control of gaming would be gone and that the Lottery Corporation was taking over bingo.

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Many charitable organizations offered bingo gaming. Then, of course, the Lottery Corporation expanded electronic bingo, and the charities felt that that hurt them. The charities that were eligible for sharing in that $125 million were very concerned that the government would not continue to pay those grants to the charitable organizations.

What conversations has the minister had with charitable organizations regarding this act? I note that the charities said they were not consulted on this act. What reassurances has the Solicitor General given to charities that they will continue to get their minimum $125 million worth of grants from gaming?

Hon. R. Coleman: First of all, I met with the B.C. Association for Charitable Gaming on Saturday. I talked to them about the issues in and around gaming. They were quite happy with the changes that we've made. My staff have also met, as I have, with the B.C. Bingo Council early on in this process. A number of things that were done were done for the benefit of charities, not for the disadvantage of charities.

The concern we had, after looking at the entire structure of gaming last summer, was that the $125 million the member refers to was actually broken up into two blocks of money. One is a substantial amount of money which just goes out in what we call the facility level guarantee or the top-up to bingo halls, basically guaranteeing to charities a guaranteed profit whether an operation is viable or not — a subsidy to bingo halls. The second part of it went into a program called direct access, which was a program for granting that groups could apply to.

Our hope, as we move forward, will be that by having the corporation having some seamless management within the gaming sector and bringing a high level of professionalism to its management, we can actually reduce the amount of money that has to go into the top-up into bingos over time, as we actually look at how the sector

should be operated. If the member were aware of my estimates, she would know that in my budget I have retained all the money for the charities for this year.

J. MacPhail: At the conclusion of the meeting this past Saturday, was the association satisfied?

Hon. R. Coleman: I would say that they were. I guess you have to gauge it by…. I gave a speech to the organization, and I did a question-and-answer for a substantial amount of time. I actually put them well over time and dealt with all their questions in a forthright manner. After that, the acting director of the gaming policy enforcement branch, Derek Sturko, who's to my left — I should have introduced him earlier — also spoke to the group and took questions. As well, the president of the B.C. Lottery Corporation, Vic Poleschuk, did.

[1655]

The feedback I've gotten from the organization, from the executive director and people who were at the meeting, is that they were quite pleased that somebody had finally woken up and understood the needs of charity relative to how they can spend their money, how they can do things in their community and how in the long term we can build a program together for these funds so that they would apply to them in addition to what some of those funds have been applied to in the past — things like capital projects.

I think we're going to have a very long-term, successful working relationship with the charities to make sure we get maximum use of the dollars back in the community.

Sections 41 to 82 inclusive approved.

On section 83.

Hon. R. Coleman: I move the amendment to section 83(1) standing under my name on the order paper.

> [SECTION 83 (1), in each of the proposed paragraphs (a) and (b) by deleting "money derived from a lottery scheme or horse racing" and substituting "money derived from a lottery scheme or horse racing or received as a grant under section 41 (1),".]

Amendment approved.

Section 83 as amended approved.

Sections 84 to 88 inclusive approved.

On section 89.

Hon. R. Coleman: I move the amendment to section 89 standing under my name on the order paper.

> [SECTION 89, by deleting the proposed subsection (3) and substituting the following:(3) A person must not sell, offer for sale, purchase for resale, or do anything in furtherance of selling, offering for sale or purchasing for resale, any lottery ticket to a minor, unless the person is a licensee acting under conditions of the licence that are prescribed under section 105 (1) (b).]

Amendment approved.

Section 89 as amended approved.

On section 90.

L. Mayencourt: Could the minister confirm that the intention of section 90 is to provide a fully licensed environment so that British Columbia can benefit from the full and active involvement of private sector in the resale of lottery products owned by the B.C. Lottery Corp?

Hon. R. Coleman: Thank you to the member for being quick off the mark. I think it would be appropriate if I move the amendment to section 90, because it actually clarifies the member's concern relative to or-

ganization outside the Lottery Corp being licensed to sell lottery tickets in B.C.

I move the amendment that's on the order paper now.

> [SECTION 90, by deleting the proposed section 90 and substituting the following:Unauthorized sale of lottery tickets prohibited
> 90 A person must not sell, offer for sale, purchase for resale, or do anything in furtherance of selling, offering for sale or purchasing for resale, any lottery ticket, whether it originates inside or outside of British Columbia, unless the person is
> (a) the lottery corporation,
> (b) a person authorized by the lottery corporation, or
> (c) a licensee acting under conditions of the licence that are prescribed under section 105 (1) (b).]

Amendment approved.

On section 90 as amended.

L. Mayencourt: I wonder if the minister could please talk for a moment about that amendment and what it allows people to do. Also, if the intention is to allow for others to resell those lottery products, will there be some sort of consultation with those reputable firms that do that business so that they can develop regulations that will allow them to do their job and meet the regulations that the ministry needs to put forward?

Hon. R. Coleman: This has been one of those issues this member has spent some time with me on.

This amendment allows for the organizations that are presently doing it in British Columbia, under licence by us, to continue to sell product from outside British Columbia — their lottery tickets. Basically, as we develop regulations we will sit down with those organizations, set up the licensing process for them so that they continue the business that they're doing today.

Section 90 as amended approved.

Sections 91 to 104 inclusive approved.

On section 105.

Hon. R. Coleman: I'd like to move the amendment to section 105(1)(u), which adds the regulatory power of the Lieutenant-Governor-in-Council to define "financial interest," to be amended.

> [SECTION 105, in the proposed subsection (1) by adding the following paragraph:(u) defining "financial interest" for the purposes of the definition of "associate" in section 1 (1).]

Amendment approved.

Section 105 as amended approved.

On section 106.

[1700]

Hon. R. Coleman: I move the amendment to sections 106(1) and (2) as on the order paper.

> [SECTION 106, by deleting the proposed subsections (1) and (2) and substituting the following:(1) Each of the Provincial Secretary and Minister of Government Services, the Attorney General and the Public Gaming Control Branch is conclusively deemed to have been at all times between May 27, 1986 and the end of March 31, 1987, under a delegation made by the Lieutenant Governor in Council, an authority having the discretion under section 30 to license persons to conduct and manage gaming events in British Columbia.
> (2) The British Columbia Gaming Commission is conclusively deemed to have been at all times between March 31, 1987 and the end of January 11, 2002, under a delegation made by the Lieutenant Governor in Council, an authority having the discretion under section 30 to license persons to conduct and manage gaming events in British Columbia.]

Amendment approved.

Section 106 as amended approved.

Sections 107 to 112 inclusive approved.

On section 113.

Hon. R. Coleman: I'd like to move the addition of section 113(1), which repeals the Pacific Racing Association Act, as one of the repeals brought on by this act:

[SECTION 113.1, by adding the following section:
113.1 The Pacific Racing Association Act, S.B.C. 1993, c. 60, is repealed.]

Amendment approved.

Section 113 as amended approved.

Sections 114 to 121 inclusive approved.

Title approved.

Hon. R. Coleman: I move that the committee rise and report the bill complete with amendments.

Motion approved.

The committee rose at 5:01 p.m.

The House resumed; Mr. Speaker in the chair.

Reporting of Bills

Bill 6, Gaming Control Act, reported complete with amendments.

d) *Third Reading*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 37th Parl, 3rd Sess, Vol 6, No 2 (9 April 2002) at 2688 (Hon R Coleman), online: < https://www.leg.bc.ca/documents-data/debate-transcripts/37th-parliament/3rd-session/20020409pm-Hansard-v6n2#bill06-3R>.

Third Reading of Bills

Mr. Speaker: When shall the bill be read a third time?

Hon. R. Coleman: By leave, now, Mr. Speaker.

Leave granted.

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Bill 6, Gaming Control Act, read a third time and passed.

II. Bill 54: Miscellaneous Statutes Amendment Act (No. 2), 2004

a) *First Reading*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 37th Parl, 5th Sess, Vol 25, No 12 (13 May 2004) at 11092 (Hon G Plant), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/37th-parliament/5th-session/20040513pm-Hansard-v25n12#bill54-1R>.

MISCELLANEOUS STATUTES AMENDMENT ACT (No. 2), 2004

Hon. G. Plant presented a message from His Honour the Administrator: a bill intituled Miscellaneous Statutes Amendment Act (No. 2), 2004.

Hon. G. Plant: I move that the bill be introduced and read a first time now.

Motion approved.

Hon. G. Plant: I am pleased to introduce Bill 54, the Miscellaneous Statutes Amendment Act (No. 2), 2004. This bill makes minor housekeeping changes to a number of pieces of legislation and makes some more significant changes in order to deal with a range of issues, including flood and fire emergencies, and to permit the provincial use of the federal register of electors.

In particular, Bill 54 will amend the following statutes: Cremation, Interment and Funeral Services Act; Election Act; Emergency Program Act; Employee Investment Act; Employee Investment Amendment Act, 2002; Gaming Control Act; Health Professions Act; Income Tax Act; Land Title Act; Local Government Act; Miscellaneous Statutes Amendment Act (No. 2), 1999; Motion Picture Act; Municipalities Enabling and Validating Act (No. 3); Probate Fee Act; Public Safety and Solicitor General Statutes Amendment Act, 2002; Railway Act; School Act; Vancouver Charter; Video Games Act.

No doubt, with the full attention of the House, I will elaborate on the nature of these amendments during the second reading of this bill. I move that the bill be placed on the orders of the day for second reading at the next sitting of the House after today.

Bill 54 introduced, read a first time and ordered to be placed on orders of the day for second reading at the next sitting of the House after today.

b) *Second Reading*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 37th Parl, 5th Sess, Vol 25, No 15 (18 May 2004) at 11188 (Hon G Plant), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/37th-parliament/5th-session/20040518am-Hansard-v25n15#bill54-2R>.

Hon. G. Plant: I move that the bill be now read a second time.

Mr. Speaker, this bill, Miscellaneous Statutes Amendment Act (No. 2), 2004, makes amendments to quite a number of statutes — 19, I think, to be exact. In seeking to explain what all of these amendments are about, I will briefly describe the changes in the order they appear in the bill with an attempt to cluster some of the related changes as I go. I will try to provide a bit more detail about some of the more significant amendments.

…

Fifth, Bill 54 will also amend section 105(1) of the Gaming Control Act in order to enhance certain regulation-making authorities in that act. This regulation-making authority will be used to give certainty to and define the consultation obligations that are legislatively required of local governments in regard to gaming facilities. The regulations made under the amendments will also be used to give certainty to and define the time lines associated with a dispute resolution process provided for in section 21 of the Gaming Control Act.

…

That constitutes a summary of the provisions of Bill 54.

c) *Committee of the Whole House*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 37th Parl, 5th Sess, Vol 25, No 18 (20 May 2004) at 11279 (Hon G Plant), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/37th-parliament/5th-session/20040520am-Hansard-v25n18#bill54-C>.

MISCELLANEOUS STATUTES AMENDMENT ACT (No. 2), 2004

The House in Committee of the Whole (Section B) on Bill 54; J. Weisbeck in the chair.

The committee met at 10:10 a.m.

Sections 1 and 2 approved.

On section 3.

J. Kwan: Section 3 of Bill 54 repeals section 22(3) of the Election Act. Section 22(1) of the Election Act, "District registrars of voters," states: "The chief electoral officer…." Then subsection (3) goes on to say: "An individual appointed under subsection (1) must be employed under section 10 or otherwise be within the public service of British Columbia."

If you go to section 10 of the Election Act, which is the section referred to here, it further states: "General staff of the chief electoral officer. 10 (1) The chief electoral officer may appoint a deputy chief electoral officer and other employees necessary to enable the chief electoral officer to perform the duties of the office. (2) The Public Service Act applies to appointments under subsection (1) and, for the purposes of that Act, the chief electoral officer is deemed to be a deputy minister."

Then subsection (3) says: "The chief electoral officer may also retain, on a temporary basis, other persons necessary to enable the chief electoral officer to perform the duties of the office in relation to short term administrative matters, including the preparation for and conduct of an election, enumeration or plebiscite."

Subsection (4) says: "The Public Service Act does not apply to persons retained under subsection (3) and the chief electoral officer may establish their remuneration and other terms and conditions of their retainers."

Section 3 of Bill 54 basically repeals all existing provisions surrounding the hiring of district registrars of voters, and district registrars now will be hired exclusive of the Public Service Act, keeping in mind that district registrars of voters are hired by each electoral district. That's the process, as we know. Why are these changes that are being proposed under this miscellaneous bill necessary?

Hon. G. Plant: I'm advised that the chief electoral officer has in the past used government agents as district registrars of voters in most parts of the province, but there are no government agents in the lower mainland or in southern Vancouver Island. In that part of the province the chief electoral officer has tended to use, I guess, employees of Elections B.C. However, the regional offices of Elections B.C. have been closed, so that option is no longer available to Elections B.C.

What's proposed here is that the chief electoral officer would have the ability to use district electoral officers who are appointed under section 18 of the act. They're not appointed under the Public Service Act. What we're really trying to do here is give flexibility to Elections B.C. to allow the job that needs to be done to continue to be done in a slightly different way, and this is being done at the request of Elections B.C.

J. Kwan: Presumably, then, the hiring practice or the requirements for hiring would remain intact with exception that the Public Service Act would not apply, but the district electoral services provisions for hiring would then apply.

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Hon. G. Plant: That's correct.

Section 3 approved.

On section 4.

J. Kwan: Section 4 amends section 32 of the Election Act by adding subsection (6) which states: "For the purposes of this Act, an individual who has no dwelling place may register as a voter on the basis that the individual's place of residence is a shelter, hostel or similar institution that provides food, lodging or other social services." How would someone in such an institution go about registering to vote?

[1015]

Hon. G. Plant: One of the reasons for this provision is to ensure that our registration requirements and rules mesh with those of Elections Canada. In practical terms, what comes from this amendment is that if somebody who would meet these definitions is already on the national register, they will automatically be put on the provincial register as a result of the arrangement that will allow us to import the national register into the Elections B.C. database. That will deal with some people who would fit this definition.

Then Elections B.C. intends to conduct some outreach with social service agencies to see if we're catching all the people that could be registered who want to be registered. I guess the next step would be that people can show up on election day and apply to register, as they have in the past. As long as they meet the requirements of proof associated with that process on election day, they would be registered so that they can vote on election day.

J. Kwan: Let me ask this question. What would they have to provide by way of identification in order to register? For example, Elections B.C. does some outreach and goes to a particular shelter. There are a number of people there. If you're registered with that shelter, are you then automatically registered with Elections B.C. in that process? Or would you have to go through some other process and provide some other ID or whatever in order to get on the voters list?

Hon. G. Plant: There are two phases for this. One is during the outreach exercise by Elections B.C., and during that time — which is to say, before we're in an election day cycle — people can register without any particular requirement for

identification. They would just have to make whatever statements that are required of them at the time they apply to register.

Then there is the situation where people want to register in conjunction with voting. There are already requirements in place to provide identification at that time. Nothing in this process here would change those requirements. The ID requirements that are in place now for registration at the time of voting will be the same after these amendments.

J. Kwan: Did I hear the Attorney General correctly in that during the outreach phase of this process…? Elections B.C. sends someone to a particular shelter, and the folks at that shelter would not have to provide any other additional identification; they would just be registered. Did I hear that correctly?

[1020]

Hon. G. Plant: Yes. In fact, no one is required to provide identification if they apply to register now, for example. There's no difference in that respect between somebody who happens to be in a shelter or somebody living in a neighbourhood somewhere. If they apply to register, they have to make whatever statements are required. The process is established under section 35 of the Election Act.

They have to sign an application form that includes their full name; the address of the place where they are a resident, within the meaning of the act; their mailing address if that is different; their birthdate or any other identifying information that is required by regulation; any other information that's required to be included by regulation; and a declaration that they meet the requirements of the act to be registered as a voter.

Those are the rules that apply to all residents who seek to apply to become registered as voters, and they will apply to people who seek to be registered under the residence rules that would be established as a result of the amendment to this section of the act.

J. Kwan: The outreach program that the Attorney General talked about — when is that going to start? And how would it be undertaken?

Hon. G. Plant: I'm advised that the outreach program is still being developed. The plan is to have something roll out early in 2005.

Of course, I want to make it clear, for the benefit of people following this debate who may not be clear about this, that Elections B.C. is an independent, arm's-length agency. The chief electoral officer is an officer of the Legislature, not of government. In that respect the member who represents a well-established political party would have the opportunity to approach Elections B.C. directly to make inquiries about how they are developing that program and inquiries related to that. That's not to stop her from asking

the questions here but just to make it clear that Elections B.C. works for all British Columbians when it does this work.

J. Kwan: Yes, and by my asking the questions, I do not mean to discolour Elections B.C. in any way, shape or form. I'm just wondering and curious about it.

As the Attorney General knows, in my own riding, for example, we have a number of shelters. We have a number of people who have great difficulty in getting access to the right to vote, quite frankly, for a variety of reasons. If there was some sort of plan, I'm sure all MLAs would want to ensure that their community members would have that information and be participating fully, as best as they can, in engaging in that.

[Page 11281]

I wonder, then, if I could just make this request too. I suspect that when we get to that stage, information will be forthcoming, and we'll probably see it in the media. But just in case it is not as high-profile as it might otherwise be, we could ensure that information is made known to all members of the House when the details of the outreach program are a little bit more nailed down — the dates, and so on and so forth — so that MLAs can endeavour to notify their own community in that process as well.

Hon. G. Plant: I'm advised that Elections B.C. will be happy to oblige.

J. Kwan: In the terminology of subsection (6) where it talks about "…residence is a shelter, hostel or similar institution that provides food, lodging or other social services" — what sorts of criteria, if any, are going to be applied in determining what falls and fits into the description under subsection (6)?

[1025]

Hon. G. Plant: I'm advised that the intention here is to take a broad approach. To some extent, that will involve relying upon district electoral officers' knowledge of what constitutes the appropriate agencies in a particular community for this purpose. I think there are some backstops to all this. Obviously, this would have to be administered in a way that tries to help people who are residents of British Columbia register as voters, but it would also have to operate in a way that tries to ensure they only register once. Within that framework, I think the language here is intended to be as inclusive as possible to catch the right sorts of agencies and service providers for this purpose.

J. Kwan: The terminology "other social services." I think one generally understands when the language of residence is "a shelter, hostel or similar institution that provides food, lodging…." I think that's fairly understandable, but "other social services" then allows for a broader range of institutions to qualify. Let me just throw one out as an example to see whether or not this falls within that definition, to get a sense of

it. I'll describe the institution just in case the Attorney General is not familiar with this particular institution in my community.

The Carnegie Centre, as an example, is an institution in the riding that has provided and continues to provide tremendous services to our community. Many people use it, not as a shelter necessarily, although it does have food programs within that institution. Certainly, it does provide a range of social services. Would the Carnegie Centre…?

I saw the Attorney General nod, so I think he knows the Carnegie Centre in the riding. So would that fit into this definition?

Hon. G. Plant: I think the answer to that question is probably yes. I could think of some other institutions and agencies in the member's riding that don't necessarily provide lodging. There is the Downtown Eastside Women's Centre, which probably still provides meals from time to time. That would be an agency where many people are accustomed to spending time there, who don't necessarily get to reside there but who see it as a centre point in their lives. That might be another example of a place that could be used for that purpose.

J. Kwan: Yes. The Downtown Eastside Women's Centre does provide tremendous services, and of course, there is second-stage housing, as well, upstairs from the Downtown Eastside Women's Centre, which was funded and provided for by the previous administration. Although I suppose the women's centre…. I know that they're in quite a situation at the moment because of a funding crunch, funding cuts from the provincial government, and whether or not they will survive that remains to be seen. Hopefully, they will, because it is a very important service for our community members.

Now, is there going to be a list of approved institutions or institution types that is going to be used across British Columbia?

Hon. G. Plant: Remembering that what we're trying to do here fundamentally is mainly to just ensure that our registration requirements line up with Elections Canada's registration rules so that we can use their list…. I'm advised that Elections B.C. will probably start with the same list that Elections Canada uses. They may add to it as district electoral officers learn about other places that may not be already on that list and that should be.

J. Kwan: I haven't seen that list. I wonder where I might actually get access to that list. Then, having reviewed it…. Afterwards, if there are some institutions left off of the list and some suggestions for institutions to be added or whatever from any of the MLAs, is there an opportunity to do that? If so, how might we go about doing that?

[1030]

Hon. G. Plant: I don't know if there is already a list available to us, because I'm not sure of the state of the discussions between Elections Canada and Elections B.C. Certainly, as a list becomes available and as Elections B.C. works to implement these new rules, Elections B.C. will be inviting input from MLAs to make sure the list is as appropriate for the circumstances as possible.

J. Kwan: Thank you very much to the Attorney General for that. I appreciate it. I'm sure all MLAs would be very interested in providing their input with respect to that — with the aim, of course, of ensuring maximum opportunities for people to register and to qualify to vote and to exercise their democratic right.

The Attorney General mentioned section 35 of the Election Act. There are subsections (a) through (f), and

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subsection (d) reads: "the birth date of the applicant or other identifying information prescribed by regulation…." Then sub (e) says: "any other information required to be included by regulation." Could the Attorney General please advise what has been specifically required by regulation? I'm not familiar with that.

Hon. G. Plant: I'm advised that the regulations under section 35 are regulations of the chief electoral officer and that the chief electoral officer has not added any mandatory information requirements under this provision, but that there are two voluntary requirements or requests. One is that people are asked if they would like to provide the last six digits of their social insurance number, and the other is they're asked if they'd like to provide a phone number. That's just to give Elections B.C. more tools to verify that the person is in fact a resident and that the person is who they say they are, I guess.

J. Kwan: Now, the language of subsection (4) looks to me to be people who are homeless, for example, and some people who fall under that category may not necessarily be at a shelter or hostel or whatever the case may be. That, as we know, greatly limits people's ability to register and, therefore, to vote. In that instance, I presume the requirements under section 35 of the Election Act would apply. Am I right in making that assumption?

Hon. G. Plant: Obviously, the conventional approach to determining residence becomes much harder to apply to someone who is truly homeless. The first step would be to try and see if there is a social service agency that the individual uses for some purpose on a regular basis, because that agency may then be the place that could be used as the home.

[1035] 

If that doesn't work for whatever reason, then the practice followed by Elections B.C. is that if the individual in question is able to identify where they sleep with sufficient detail to allow the people in Elections B.C. to determine what electoral district that person tends to make their home, then registration becomes possible for that purpose. Obviously, the further out you go, the harder it is to determine these things according to the usual standard indicators. I think that, provided there is some certainty around establishment of these facts and some confidence that Elections B.C. is not being misled in some way, Elections B.C. will then register somebody as a voter.

J. Kwan: So if a person is able to describe, for example, a particular park and a particular northeast corner of the park under a particular tree or something like that…. In that instance, that would be accepted by Elections B.C. for the purposes of registration?

Hon. G. Plant: I'm advised that that is the sort of information Elections B.C. would look at. I'm not certain that in any particular case the issue is going to be resolved one way or the other. I can't predict the outcome of any particular application. The member is describing the sorts of things that Elections B.C. would look at and be prepared to accept, potentially, as an indicator of a place of residence with sufficient detail for the purpose of registering that person as a voter.

J. Kwan: Is the requirement still two pieces of ID?

Hon. G. Plant: As I said earlier, there are rules about what happens when you show up on election day or show up at an advance poll to vote. There are some identification rules that apply there. Those rules don't change. What we've been talking about for the last few questions is more likely to apply and work in pre-election registration, because I think the rules about providing ID are going to apply on election day.

J. Kwan: Yes, on election day or at advance polls when you show up to vote…. I just want to be clear, in that instance, that affidavits are still accepted.

Hon. G. Plant: The main point is that the rules aren't changing about that. I'm told that solemn declarations of ordinary residents are accepted on registration when people apply to register for the purpose of voting, either on election day or in an advance poll.

But to come back to what we're doing here today, those rules around proof of identity that apply in the context of someone actually wanting to vote when they show up are not changing as a result of these amendments.

J. Kwan: The reason why I took the opportunity to ask these questions — of course, they are really related to the concept behind this section of the act — is to find ways, I hope, to facilitate opportunities for people to get registered. More importantly,

the end goal is to ensure that people have the opportunity to vote — that they have the opportunity to exercise their democratic right.

[1040]

As we know, in fact, in the Legislature a private member's bill has been tabled that I think penalizes people who are homeless, people who might be in circumstances that could very possibly preclude them from participating in our society in a number of ways. Voting is definitely one of them. That — alongside other government policy and budget changes impacting closures of services, like women's centres and so on — also has ramifications for these individuals.

I want to take this opportunity now to just flesh out a little bit of how one goes about trying to get registered and how the opportunity is maximized in terms of their opportunity to participate in it in our democratic society.

Now, am I assuming correctly…? Sorry. I just want to go back to the outreach program for one moment. Has that been done before, in terms of similar outreach programs by Elections B.C.? I know that Elections B.C. every so many years would go and register people, and then there would be a big sort of campaign, really,

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about that. In this instance, with this kind of outreach for this targeted group, has that been done before?

Hon. G. Plant: I realize that Elections B.C. is planning something that is much more extensive than it has done in the past in relation to trying to reach out to identify these particular groups. The member is right. There have been lots of outreach programs in the past. I think there was even an outreach program of sorts associated with the Citizens' Assembly where we…. I can't remember which budget carried the expenditure. There was some expenditure to raise profile about the Citizens' Assembly to give people a chance to ensure they were on the register of voters at the time that the first cut of potential candidates for membership in the assembly was made, because the database that was used for identifying potential Citizens' Assembly members was the voters list.

The outreach work has been done in many ways and at different times over the years, but what Elections B.C. tells me is that they are planning something new and more comprehensive here.

J. Kwan: The last question on the outreach component is: is it anticipated that there would be advertising as well, once the outreach program is finalized, to inform members of the public about it?

Hon. G. Plant: Yes, Elections B.C. will be doing some advertising associated with this initiative.

Sections 4 to 7 inclusive approved.

On section 8.

J. Kwan: Section 8 of Bill 54 amends section 275 of the Election Act, where (3.1) reads: "Despite any other provision of this Act or any other Act, information obtained by the chief electoral officer as National Register of Electors information may be used only for purposes permitted by the Canada Elections Act."

Does this section preclude the ability of the chief electoral officer to use federal voter list data for other purposes such as jury selection?

[1045]

Hon. G. Plant: What will happen is that in order for us to continue to use the voters list for jury selection, Elections B.C. will have to determine that there is independent verification of the fact of registration from a source other than the federal election list. Provided we have that independent verification and provided that there is some independent source of information associated with the individual on the list beyond merely the fact that they're on the national list, then we will continue to be able to use the list or at least those names on the list for jury selection purposes.

J. Kwan: Are there any other examples of situations like that — not for jury selection necessarily, but other examples — that the Attorney General could think of?

Hon. G. Plant: Another example of a use that has been made of the voters list in the past is for the family maintenance enforcement program, and that will become much more problematic. We think the FMEP will not be able to use the voters list for the purposes of that program, but I am advised that FMEP expects that will affect only about 2½ percent of the searches they've done.

To take a step back from that — the detail, if you will — these were some of the issues we took into consideration when we were examining and weighing the balance about how to proceed here. I thought it was quite important that we insist upon our ability to continue to use voters data for jury selection, because voting and serving on a jury are pretty close to the heart of what citizenship means for Canadians and for British Columbians.

If you sort of take the next step out to a program like FMEP, we're now talking about a program where governments have tended to use a voters list because it's a convenient source of information about who people are and where they are. That's often very helpful in making a program like the family maintenance enforcement program real

on the ground to make sure that we can actually do the work on behalf of the registrants in that program to collect on the obligations that are owed to them.

We satisfied ourselves that on balance this was the right way to go, largely because I thought we had been able to find a way to protect the jury information and because the combination of cost savings and the ability to add virtually 700,000 names to the electoral list with a very modest expenditure outweighed the

concomitant costs associated with losing the ability to use that list for some other purposes. FMEP is an example of one of those. There may be others. It's the one I know we talked about.

As I say, while there will be some impact, it is pretty modest in the overall scheme of FMEP. I think on the whole that the public interest is well served by moving forward with this proposal and this initiative.

J. Kwan: The family maintenance enforcement program likely, then, once we adopt this piece of legislation, would not be able to use the voters list for the purposes of collecting family maintenance. Is it the plan of the government to try to use it anyway? Or has the government already made a decision, and it understands that we're not able to use it, and therefore it's moving forward on different strategies in trying to address that issue from a family maintenance side?

Hon. G. Plant: Government has made the decision not to attempt to use the voters list for FMEP purposes. FMEP, the family maintenance enforcement program, does have access to other databases and other information. It will have a measurable impact, but as I say, the measurement appears to be on the order of 2½ percent, so it's not a very significant impact. FMEP will have to continue to do the work it does — the good work I think it does — without the ability to call on the voters

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list. We're not going to keep trying. The decision has been made not to use the voters list for FMEP purposes.

[1050]

J. Kwan: How does one go about distinguishing, then, what exemptions could be in place for the purposes of using the voters list and what exemptions would not be allowed? Is it explicit under the Canada Elections Act?

Hon. G. Plant: There are three sources of limits, if you will, on the use that can be made of voter information. One is the rules in the federal Elections Act. The second would be section 275 of our Election Act, the Election Act of British Columbia. The third is an agreement between Elections B.C. and Elections Canada that I think deals in part

with the jury information and leads to what I said earlier about our ability to use electoral registration data for jury selection purposes. Really, having identified those three sources of restrictions, I think the fact is that the only non-electoral purpose that the British Columbia government will be able to use the voters list for after this arrangement is put in place is jury selection. That's the only one that we know of.

J. Kwan: Final question in this area. What about debt collection, even federal government debt collection — whether it be Revenue Canada or whatever? Could the voters list be used for that purpose?

Hon. G. Plant: I don't have the federal Elections Act in front of me, but I'm advised that the federal Elections Act does not permit the use of the federal elections list for debt collection purposes. It really doesn't permit the use of the federal list for anything that's non-electoral. That's my understanding. As I said, I don't have the details of it in front of me. We may have them, but I'm not sure I want to become an authoritative source on the meaning of the Canada Elections Act. That's our understanding — that it's a very restrictive provision.

Sections 8 to 19 inclusive approved.

On section 20.

The Chair: Hon. members, we have an amendment on sections 20 and 21 to delete the sections. Now, the normal practice is to vote against the sections rather than bringing up the amendment, if that is the will of the House.

Member for Vancouver–Mount Pleasant, do you want to speak to section 20?

J. Kwan: Just one quick question for sections 20 and 21. I do note in the orders of the day that these two sections are being deleted. I'm just curious as to why.

[1055]

Hon. G. Plant: I'm advised that the provision as drafted overreached, in the sense that it may have worked in the context of the Employee Investment Act, but it may have operated negatively in its application to other tax programs. So the decision was made not to proceed with that change.

Government's intention in respect of the amendments would be to vote against the section as the way of giving effect to the proposed amendments.

Sections 20 and 21 negatived.

On section 22.

J. Kwan: Sections 22 to 24 of the Income Tax Act were repealed in 2000. This section of Bill 54 attempts to amend sections of a previous act that were repealed in 2000. My question is: how can this be done, and what's the rationale behind it?

Hon. G. Plant: I need to get to the same place as the member. Section 22 of this bill is the first of a series of sections that increases fees in land title transactions. I don't think I am at the same place that the member is at, and so I'm not sure I'm going to be able to answer that question.

[H. Long in the chair.]

J. Kwan: My apologies. My mistake, actually. The Attorney General is correct. The Income Tax Act provisions that we dealt with were 20 and 21, and they were new provisions. It doesn't repeal old sections.

To make sure I'm not thoroughly confused, could the Attorney General advise: are there any sections in this bill that attempt to repeal a section that has already been repealed?

Hon. G. Plant: I'm not certain that anybody would know the answer to that question phrased the way it is. The people who were here assisting with the Income Tax Act changes in sections 20 and 21 of the bill are not here anymore. I'm not really able to help the member. Maybe someone will be able to help me.

[1100]

I'm not certain if this is the answer to the member's question. We're not exactly in the right place, but section 30 of the bill repeals section 21 of the Miscellaneous Statutes Amendment Act (No. 2), 1999. I have a note that says that this provision was not brought into force. The note reads exactly as follows: "Section 30 repeals a not-in-force provision, consequential to the amendment of section 23 of the Employee Investment Act by this bill."

It doesn't repeal something that has already been repealed, but it does repeal something that was never brought into force.

Sections 22 to 27 inclusive approved.

On section 28.

[Page 11285]

J. Kwan: Thank you to the Attorney General for that. I was confused about the sections. He's right; the reference is about section 21.

Okay. Now, on section 28, this section expands on the amendment to section….

Interjection.

J. Kwan: Oh, sorry. Yeah, okay.

R. Masi: I seek leave to make an introduction.

Leave granted.

Introductions by Members

R. Masi: It's my pleasure today, on behalf of the member for Surrey–White Rock, to introduce a number of students — about 36 students, I think — from Ray Shepherd Elementary School in the South Surrey area, accompanied by their teacher, Ms. Graham, and a number of parents. It's a good lot of students with us. I met them this morning, and they're a fine bunch, so thank you. Would the House please make them welcome.

Debate Continued

J. Kwan: Section 28, the Local Government Act. This section expands on the amendment to section 910 of the Local Government Act that was passed in November of last year in relation to local governments regulating construction within floodplains. The changes gave municipalities the power to regulate as long as they abide by provincial guidelines. Last year we were assured that the guidelines would be ready and released in short order. My question is: have the guidelines been completed? If so, are copies available?

Hon. B. Barisoff: The guidelines are just about done now. As soon as this bill is passed, they will then be posted on the website.

Sections 28 to 30 inclusive approved.

On section 31.

[1105]

J. Kwan: Section 31 deals with the Motion Picture Act. In this amendment it brings forward the definition of "motion picture" to include video games. "'Video game' means an object or device that (a) stores recorded data or instructions, (b) receives data or instructions generated by a person who uses it, and (c) by processing the data or instructions, creates an interactive game capable of being played, viewed or experienced on or through a computer, gaming system, console or other technology."

Could the Solicitor General please advise: by including video games in the definition of motion picture — the standards for evaluating and rating the video games…. Is it less than what it was before, or is it more stringent than what it was before? I'm talking about the ratings in relation to violence and explicit material, for example — those kinds of ratings.

Hon. R. Coleman: Maybe I should just first of all explain to the member what we're doing here. There was a Video Games Act brought in at the end of the last government, which was never put into force, so this has always been governed under the Motion Picture Act. The act is out there. It has the assent, but the regulations weren't written. It wasn't actually brought into force as far as the regulations were concerned.

When I became the minister, we sat down with industry and looked at the different rating systems in North America. There is a rating system for video games in North America. It is the Entertainment Software Ratings Board, which is an independent board similar to how they rate movies. This act allows us to bring the video game into…. The changes allows us to bring video games into the Motion Picture Act. It allows us to then identify the ratings for video games under the Entertainment Software Ratings Board by regulation, which allows us — for those that aren't rated — to still rate them under the Motion Picture Act and still have the disciplines we would need under them. Basically, this would be, as I'm advised, comparable to what that act would have done or what is in place.

J. Kwan: I have before me the act that was debated in the Legislature, and third reading was passed on April 10, 2001. It is true that it was never proclaimed. However, the next month, as members know, we headed into general elections, so there was an issue around a time crunch. The government of the day, though, decided not to proceed with proclaiming that act and putting it into force, so presumably there is a rationale for that.

To my recollection, I think all members of the House actually supported this bill when it was debated — the government side and the opposition side. I think it was not a controversial bill from that point of view, yet it was never proclaimed. Now we're sort of making this amendment. Has the government considered proclaiming the Video Games Act, Bill 19?

Hon. R. Coleman: We did consider it, but we decided it was repetitive as compared to the Motion Picture Act, and so we felt we could do it within the Motion Picture Act.

J. Kwan: Could the Attorney General then just refresh my memory? The ratings within the Motion Picture Act versus that of the Video Games Act, even though it was never proclaimed — how are they different? Or are they different?

[1110]

Hon. R. Coleman: It's comparable. Basically, these changes allow us to identify a video game in the act.

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Then it allows us by regulatory powers to have either the province or another body rate video games.

In North America the ESRB standard is standard across North America. We sat down with industry and received a commitment to parents over two years ago, monitored complaints through a 1-800 line with regards to video games and ESRB standards — just the same as you used to do with film, because at one time films used to be classified almost county by county before there was a rating system put in place in North America. We wanted to allow ourselves the ability to rate ones that weren't rated by ESRB. We can set up the rating system by regulation so that we can select a rating system that is universal or acceptable, or we can decide to rate the game.

J. Kwan: If we go further on down the row, section 50 of this act — I know we're not there yet — repeals the Video Games Act in its entirety. The Solicitor General's answer to my question about comparing the Motion Picture Act in terms of its rating standards and its application for video games versus the Video Games Act is comparable.

But my recollection — and I must admit my recollection is faulty in this area — was that the Video Games Act is actually a little bit more stringent in terms of restrictions on video games on the question around access, both for minors to access video games that might contain explicit material — and there is a list of definitions of prohibited material which deals with a variety of things, things of a sexual nature as well as violence and so on — and also with issues around the access question in terms of where it should be sold, restrictions for the retailer and their responsibilities associated with that.

I do recollect that when we discussed this, we also looked at other jurisdictions as well. A few jurisdictions have actually adopted a broader picture. I remember the consultation process particularly with parents around this issue. Parents actually supported the Video Games Act from the point of view that it provided for yet another measure, although not the only measure, in trying to keep the checks and balances in place for their children in accessing video games that might not be appropriate. There were a number of pluses in terms of the Video Games Act that I think exceeded the Motion Picture Act with respect to video games.

Again, to my recollection — and I stand corrected if I'm wrong — I thought at the time the vote was taken that all members of the House supported this. That was my

recollection, and I vaguely recollect the Attorney General speaking in favour of this as well.

I'm just very curious. It seems to me that this is not a partisan issue. It is a good issue in terms of providing some regulation, if you will, in this important area. There have been many studies done that talk about the exposure of children to violence — for example, heightening their propensity towards violence as well. There have been lots and lots of studies about that, and I'm not the expert on it. But again, this is just going by memory of what I recollect reading at the time we dealt with the bill.

[1115]

From that point of view, I guess — and I know the Solicitor General tried to answer this question earlier — why not adopt the Video Games Act and enact it as opposed to repealing it altogether and only putting video games under the categories of motion pictures? What is the flaw with the Video Games Act that caused the government to take this action now?

Hon. R. Coleman: A number of things have changed in three years. First of all, when we looked at this act when I became the minister three years ago, we recognized that there was double licensing, double duplication of overlap to the retailer — that we already had a system in place for rating movies and that we also had people who could, if necessary, rate unrated video games.

We then looked at the ESRB standard. We sat down with the retailers in British Columbia and the major retailers in the country, and we received from them a commitment to parents that they would put point-of-purchase material out there so that people would understand what the rating system meant. As you may have noticed, whenever a game is advertised on television — whether it be north or south of the border — they also have added in what T for teen or A for adult means, or whatever the case may be. That's so the rating system gains in understanding for parents to understand what their children may or may not be buying.

We also have from our retailers in B.C. — a large number of them — a retailer ID system at point-of-purchase sales so that material isn't being sold or rented to the wrong age of child. In addition to that, some retailers have actually made it a policy for dismissal of their staff if they do put materials out there to somebody who is under the age allowed for in the rating system.

All of that has led to us not receiving any complaints in a number of months or any concerns other than calls to the 1-800 line, which is the commitment-to-parents line. Most of those calls are not complaints. They are people asking about how the game works. They are people wanting to know how the game actually plays. It is not an issue with regards to the material in the game.

We are also working with the federal government on both sides of the border with regards to prohibited material, which is the material that would not receive a rating that would actually make it to a retailer. That's similar to what we do under the Motion Picture Act, where we have that material viewed prior to it even being allowed in the marketplace — if it's unrated — to make sure it does not breach…. If it can be rated, it would be rated. If it can't be rated, we just prohibit its entry into the marketplace to begin with.

Having said all that, we still have something that's uncontrollable for us in the issue in and around video games, and that's the Internet. No jurisdiction has fig-

ured out how to try and regulate the downloading of games that are on the Internet over servers that we can't control because of the jurisdictions they may come from. This has actually, for three years, worked very well. I think if the industry had their wishes, we wouldn't have anything in any act, but we felt that we needed some disciplines.

Because of the duplication of the two acts and because of the commitment to parents and the success we've had with it, we are pretty comfortable that these changes get us to where we want to be as far as ability to invoke discipline with regards to video games but to also have a rating system that makes sense. If a British Columbian is watching a television show tonight and it's a U.S. channel, and if a video game is on the market, it will tell them it's T for teen or whatever the rating system is.

[1120]

One of the challenges we had under the previous Video Games Act was a notion that we would actually rate all video games by our own rating system in British Columbia when they came into our marketplace. Most jurisdictions across Canada — and I have spoken to the ministers with regards to this — are adopting, in some form or fashion, the ESRB standard. For everybody to take apart and repackage every video game is not only an expense to us but also to the industry and one that we don't think is necessary, given the fact that this rating system seems to have reached a standard of acceptance within the marketplace.

One of the challenges when you rate anything is to understand what the rating system means. As the education goes out there — the commitment to parent, the point-of-purchase material and what have you — we're actually getting a much better understanding of video games and their rating system in British Columbia than we had three years ago.

J. Kwan: Let me close with this. I am concerned more particularly with the repealing of the Video Games Act, which we'll deal with when we get to section 50. Let me offer these comments. I have a nine-year-old stepson, and he, like other kids, plays

video games and all sorts of stuff. One time, I can't tell you how shocked I was; I was speechless. He was with a visitor; they were hanging out together. The visitor actually had a video game that was just appalling. It was shocking. I don't even want to mention the name of it, because I don't want to advertise this awful game. It was a game that was so violent, and it was so offensive. What it was doing was actually having people beat up and kill sex trade workers. Then they score points when they do that, and they cheer. Anyway, I watched it for a moment. I was just beside myself watching this game that the kids were playing — unbeknownst to myself, my husband and others.

We were shocked. Of course, we dealt with it then, but we know that kind of stuff is in the market. I don't even know how it got into the market for children to begin with and what we can do to try and address issues like that. Especially in light of an environment now, where we know, for example, in the downtown east side community…. Good grief, we have sex trade workers who have been murdered. It took a long time for the community to raise the matter, to raise the issue, to heighten the awareness for the investigation, and so on and so forth. We are still reeling from some of the information that is surfacing around that. We still are trying to cope with the fact that many people are faced with violence today, yet a video game of that nature could somehow make it to the market and could penetrate a system.

I would say that not just myself…. My stepson's mother is a very vigilant parent, for sure. How that sort of just even came about…. I can't tell you how shocking it is, and I don't know whether or not this section of the act will actually address that. Maybe it will. I hope that it will. I think it would be worthwhile for all of us to put our minds towards thinking about how we can put regulations in place to prevent such games from surfacing in the marketplace, as best as we can.

I take absolutely the Solicitor General's point of view that children, people, can access stuff through the Internet now. If there's some level of measure somewhere along the line to minimize this kind of thing from emerging in the marketplace and, therefore, reaching the hands of our children, etc…. I fully understand the role of parents and the parental responsibility in that as well. I fully understand that, but I think we need all the tools we can get, given the environment we're in today.

Hon. R. Coleman: I agree with the member. I want to respond to it, though, so the member understands that the game she is describing would have been rated at an age so that nine-year-olds shouldn't have had it. Therefore, somebody has either purchased that game and given it to a nine-year-old, or the nine-year-old has gone in and either purchased or rented it. If a clerk in a store or if a store were to rent or sell a game to an inappropriate age under these changes, the clerk would be fined, and the store would be fined. The retail council is actually rolling out an additional education program in November, coming into the Christmas season, on the whole rating system and the commitment to parents and all of that.

[1125]

The unfortunate reality is whether that was described as a video game or described as a movie that was restricted. If a young person got a hold of and was watching it, the parents would be also having the same reaction as you did there. There is a side of this where the education side for parents is very important, because they need to know the material that their children may be accessing. They need to know that the rating system is understandable to them so that they can say: "No, you're not having that game. That's not appropriate for you. It's not rated for your age group. You cannot have it."

One of the challenges is that we still have the discipline to fine both store owners and clerks. I don't know how the other individual child would have got hold of

the game. It may be something where one family decides that they have a different standard of what they let their children watch versus another, and that's something that all of us…. Being a parent back in the video days, not video game days — my son played them, but they were different games then — I had to be vigilant on what they were seeing when they were going to the neighbours or what they were doing with regards to that.

I think this is a total package. The reason I'm comfortable with doing it this way is because I have seen a significant commitment on behalf of retailers to the education program and the point of purchase and not renting or selling games to people that are an inappropriate age. The larger retailers have made the choice to not even carry a lot of these games. They're not staying in the marketplace, because the shelf life isn't there if they're not actually marketable and people aren't buying them. At the same time, we still have the ability to prohibit certain types of games.

I think that this whole commitment to parents has worked extremely well. I know other jurisdictions in the country have been watching it and are moving towards the same type of relationship with the retailers in Canada. The retailers have made the commitment to put disciplines in their system; we have disciplines in our system. Having said all that, there are still going to be, unfortunately, some games viewed by the wrong people of the wrong age, and that's not acceptable.

I doubt that we will ever control the personal libraries of games where a child might take it to another household or something like that, but this certainly gets us to where we can manage the video game issue quite well in B.C.

J. Kwan: I would go as far as to say that the game I saw is inappropriate, irrespective of age. It really is. Gosh, if we think the people who created this thing somehow think that it is appropriate for anybody anywhere… I can't tell you how shocking that is, irrespective of age. It should not even exist. To promote such a notion….

Anyway, I'll just leave it at that. I know that I am emotional about it, because I actually saw such a video game. Like the Solicitor General, I will tell you that at the time I grew up, the video games that we played with were Pac-Man, and we ate little chips, little food pellets. These little happy faces went around eating little chips.

I do have another question, though, which that has triggered. The Solicitor General noted that the government has the ability, through regulation, to contract out the rating of video games to third-party agencies. Is this going to happen? What kind of agencies would be able to undertake such a task?

Hon. R. Coleman: Just a clarification. It is not contract out; it is by reference and regulation to a standard. It is just the same thing as if we referenced the movie standard for North America. We reference the ESRB standard for video games. We're not contracting out anything with regards to that.

Section 31 approved.

On section 32.

J. Kwan: Section 32 amends section 5(6)(a) and (b) of the Motion Picture Act. Section 5(6)(a) and (b) is repealed, and the following is being substituted: "If the director reviews a motion picture under subsection (1) the director must, unless the director takes action under subsection (3) or (4), approve the motion picture, and if the motion picture is intended to be exhibited in a theatre, classify the motion picture in accordance with the regulations made under section 14 (2) (c)."

[1130]

I want to trace exactly the protocols set out in this bill and the Motion Picture Act in which a motion picture and specifically a video game would be approved. Could the Attorney General please outline that for me?

Hon. R. Coleman: Subsections (a) and (b) are the same; (c) is the subsection that is added. What it does is that if it is not rated by one of the selected standards under regulation, it permits the province to do one of two things: either view the movie or game themselves and give it a rating provincially, which could restrict its use, or accept the rating that's been applied to it by another province with regards to it.

What happens is that there are products in the marketplace that don't go through those standards. Some of the issues are around, on the film side, pornographic material which we actually do view and rate or reject being allowed in the marketplace and that sort of thing. That section permits that.

J. Kwan: Section 5(6) of the Motion Picture Act states: "If the director reviews a motion picture under subsection (1), the director must, unless the director takes action

under subsection (3) or (4), (a) approve the motion picture, and (b) if the motion picture is intended to be exhibited in a theatre, classify the motion picture in accordance with the regulations made under 14 (2) (c)."

Then if you look at section 5(1) of the Motion Picture Act, which this section refers to: "On receipt of the prescribed fee, the director must ensure that every motion picture and adult motion picture submitted to the director for approval under section 2 (1) or 3 (1) is reviewed, and every motion picture is classified, in accordance with this Act and the regulations."

In reading those two sections together, am I correct in my reading that the director must submit a motion picture to himself or herself for approval? Currently, are all motion pictures approved by the director — with the exception that the Attorney talked about where the province could provide for the ratings itself?

R. Masi: I seek leave to make an introduction.

[Page 11289]

Leave granted.

Introductions by Members

R. Masi: On behalf of my colleague from Surrey–White Rock, it is my pleasure to introduce a number of students from Ray Shepherd Elementary School, accompanied by a parent, Ms. Siple. Would the House please make them welcome.

[1135]

Debate Continued

Hon. R. Coleman: Section 2(1) is theatre films — films that would go into a theatre for approval. Section 3(1) is adult films approval, which is pornography, and 3(1) identifies other films not in theatres. That language allows us to do the video games.

J. Kwan: The directors that would be approving these video games — what kind of resources do they have in terms of staffing resources? As we know, there are literally hundreds, if not thousands, of new video games surfacing all over the place all the time. Would they have the capacity to do the work that's required of them?

Hon. R. Coleman: The film classification branch has a budget of $1.2 million. They have 13 staff. Obviously, they won't be looking at video games that are rated under ESRB if we give ESRB the standard. The remainder is about 1 percent to 2 percent of the marketplace that isn't rated. Right now across the country we're looking at harmonizing that 1 percent to 2 percent. We would probably be designating Ontario

as the people that would rate that 1 percent to 2 percent and would develop the expertise in one place to do that, and it would be shared across the country by the provinces.

J. Kwan: The rating system for approval — is it just a simple yes or no?

Hon. R. Coleman: It is not just a yes or no; it's rated on context. It is a progressive context by age, by the rating person, which is age-based. There is an approach because the member may be familiar, particularly because she's from Vancouver…. Sometimes there have been difficulties with film festivals where somebody has a difficulty with a particular film that they want to show to a larger audience. The approach we take on film festivals is that for the purpose of a film festival, all films are rated as being restricted. If they wish to have a film they want to have a broader public to see, which is outside the age 18, then we would rate that film to see whether it could be shown to a larger audience based on that context.

J. Kwan: Subsection (c) is a new addition. It reads: "If the motion picture is not intended to be exhibited in a theatre, classify the motion picture in accordance with the regulations made under section 14 (2) (m)." Am I correct in assuming that the amendment is to make sure that motion pictures that go directly to video or DVD are included in the act? Were there regulations before around straight-to-video motion pictures? I'm not familiar with that. I'm just wondering if there were regulations before.

[1140]

Hon. R. Coleman: Even I get an education sometimes when I debate legislation. Straight-to-video hasn't been rated since 1986. This does capture straight-to-video. It does. But what we intend to do in regulation is to….

Basically, there's still a national rating system with regards to straight-to-video, so we would probably do a designation of one jurisdiction that would do the straight-to-video classifications, and the rest of us would accept that. The biggest part about this section, though, is that it captures videos. This is what allows us to capture videos.

Sections 32 to 34 inclusive approved.

On section 35.

Hon. G. Plant: I wanted to rise to speak a bit about section 35, because it has generated some discussion in the world out there. I want to respond to some of the comments and concerns that have been raised by the public and others about this provision.

Section 35 makes an amendment to a statute called the Municipalities Enabling and Validating Act (No. 3), which is a statute of British Columbia enacted in the year

2001. It amends that section by adding a new section. Actually, it adds two sections, but it's only the first of those that I want to speak about right now, and that is what will become section 14 of the Municipalities Enabling and Validating Act (No. 3). The heading of that section is "Validation of Whistler Bylaws Respecting Nita Lake Development." I think that's a good summary of what this section does.

Municipalities enabling and validating legislation is not unusual. It's not new to this government. It's not new to governments in British Columbia. It's a branch of what we do in the province to maintain the public interest in a stable system of local government. From time to time, local governments identify concerns and problems with respect to bylaws they have enacted and, in some cases, bylaws they may have enacted and relied upon for years or even generations.

When they identify those concerns, the concerns often relate to the procedural requirements in order to bring into force a valid bylaw. Goodness knows that those procedural requirements are complex, and rightly so, but it's a pretty complicated set of rules that has to be followed by a local government if it wants to bring into force a new bylaw. They include the rules around the scope of subject matter that the municipal government can legislate with respect to. They also include the process that must be followed.

Sometimes municipal governments may push the envelope of subject matter. Sometimes they may do something procedurally that appears later to have run afoul of some of the detailed rules that apply to those procedures. Indeed, the body of law which lawyers call municipal law in large measure consists of the way in which courts over time have ensured that municipal governments, local governments, live within the rules they're required to live within.

[1145]

From time to time, issues are brought to the provincial government, which continues to be the senior government responsible for legislating both the powers — the subject matters of authority for local government — and also the process rules that local governments must follow if they want to exercise those powers. The issues that will come before the province will be issues that may relate to concerns that have been identified about whether the i's were dotted properly or the t's crossed in respect of proceeding with a particular bylaw, or they may be more substantive.

From time to time, the province is called upon to step in to ensure that the spirit, the intent and the purpose of the municipal bylaw is protected. That may mean legislating in this chamber to cure the procedural error. It may mean legislating in this chamber to cure the error that has been made around subject matter authority, just to make sure the bylaw that was brought into force can in fact be brought into force and

that it can be given effect in accordance with the intention of the local government that brought the bylaw into force. I want to say again that this is not that unusual. These things happen and are a routine part of the life of a Legislature.

There has been some concern expressed — including, quite frankly, concerns expressed by the opposition — suggesting that in some way what is being done here is very unusual. I think I've even heard the adjective "stunning" applied to what's been done here. I think it's important that we in this chamber, and perhaps anybody who is paying attention to this debate, be reminded of the fact that what we're doing here is neither stunning nor all that unusual.

I have in front of me, for example, the Municipalities Enabling and Validating Act (No. 2). This is a statute you find in the revised statutes books of the province. It goes back to 1990. In fact, what the table of contents of this act shows is that between the year 1990 and the year 2000, there were some 48 different provisions added to the Municipalities Enabling and Validating Act, year by year, as the provincial government stepped in to ensure that a procedural defect, a technical error or some matter of detail that had occurred during the course of the development of a rule or a bylaw of local government was not allowed to stand in the way of ensuring that the public interest behind those bylaws was maintained.

The reason I looked at Municipalities Enabling and Validating Act (No. 2) was because I wanted to test the assertion I have seen made out there, which somehow implied that what we as a government were doing was new and unusual. A good way to test that is to compare what we do and the practice that we follow to the practices that were followed by the former government that held office in British Columbia from 1991 to 2001. It looks as though some 43 or 44 different MEVAs, to use the acronym, were enacted over the course of that decade. In some years there were only four, and in one year, only two. Then in 1993 it looks as though there were as many as nine or ten enacted.

The idea that the provincial government has a role to play in ensuring that the work of municipal government is kept stable is not new. It's not unusual, and nor is the exercise of the authority contemplated here in some way radical or innovative or stunning. It is actually just part of the business of British Columbia.

I think, to be fair, I need to point out that in the majority of these cases, the error or the concern is identified before the matter is tested in court. The MEVA, the legislative intervention, steps in to correct a problem that has been identified, perhaps by way of a legal opinion to municipal council or by way of some other process. A municipal government gets to act on that concern by coming to the province before there is a court decision.

[1150] 

I say that these things are not that unusual. I remember that in the 1990s, one of the MEVAs the former government brought into place protected a fluoridation bylaw that had been brought into force by the city of Prince George in 1954, but there was a problem with it. The Legislature intervened to protect all of the work that had been done in Prince George under that fluoridation bylaw over what was, I guess, close to half a century. Again, that's not terribly unusual or terribly stunning or terribly difficult.

There is no doubt that from time to time, the fact that we are called upon to act is a matter of considerable interest in the local community and indeed may even be a matter of controversy in the local community. The extent to which these issues are difficult or controversial is certainly something the provincial government would take into account before it chose to assist the local government. To the best of my knowledge, for example, we don't act as a provincial government unless the local government comes to the province and says: "This problem has been identified. Please help us with it." We don't act of our own initiative. We act on the basis of a request from municipal governments.

I did say that for the most part, these issues are identified before we get to the point where the problem has crystallized in the form of a court judgment. But in fact, we don't always get there that soon. The record of the last decade or so includes several occasions where this Legislature was asked to intervene after there had been a court decision. That was work done by the former government. They did that, and it is something that we have done. It is something that we are doing here.

There is no doubt that the issue becomes more serious when we as a provincial Legislature are asked to

[Page 11291]

step in to ensure that the spirit, the intent and the purpose behind a local government initiative are protected, notwithstanding the fact that a technical error has been identified and may even have formed the basis of a court judgment. There is no doubt that the Legislature does not act lightly when it comes to dealing with a request that it actually intervene to save the purpose and intent of a municipal initiative, even where that intervention requires setting aside a court decision.

That's all part of the kind of usual order of business and responsibility of government that lies underneath what's being proposed here. What's being proposed here is that the province intervene to protect something that is pretty important to the citizens of the Resort Municipality of Whistler, a $120 million development at Nita Lake. And like large developments with significant potential public impact…. There are some in the Resort Municipality of Whistler who are opposed to the development. That's not unusual. That's part of the development business across British Columbia.

When we were approached as a provincial government and asked to consider intervening to ensure that the work the Resort Municipality of Whistler had done to try to get this development going was preserved and protected, and so that the project could continue, there was also no doubt that the majority of the residents of the resort municipality were behind the development. So when Whistler comes to government and says: "Please help us with this issue that has developed…." There is no doubt when you look at the record of public hearings — the record of other processes that had been followed here — that while there is a small and nonetheless vocal opposition, the majority of this community is strongly in support of this very important development. It's a $120 million development — all kinds of economic opportunity provided during the course of construction. After construction this development will form a pretty interesting and, I think, exciting part of what that resort municipality can offer the citizens of British Columbia.

We have been asked to intervene. We've been asked to intervene in circumstances where we need to take a step that, in fact, involves setting aside a court decision. I want to say, Mr. Chair, that's not that unusual either.

[1155]

One of the principles of our democratic government is the principle of parliamentary sovereignty. It is, in fact, the principle that recognizes that there are times and places when the Legislature acts to correct errors that are made by courts. Or when the courts take a step, relying on the law as it is, which appears not to be consistent with what the public interest requires, then sometimes we will act, as a Legislature, to correct the law to ensure that the public interest is protected. It's not that unusual. Yet, I have been very concerned over the last day or so to read public comments that suggest that this intervention is in some way unusual or is to be criticized for that reason.

The former government, for example, in effect lost a court challenge to probate fees. They lost the court challenge in the Supreme Court of Canada. Although the court challenge concerned a probate fee regime in Ontario, the decision clearly applied to probate fees here in British Columbia. Did the former government accept that that was the end of probate fees in British Columbia? No, they brought in legislation that effectively overturned the outcome of that court decision.

The former government brought in a piece of legislation called the Tobacco Damages Recovery Act. They actually brought it in twice. They brought it in once in about 1997-98, and then they brought in another one because they did legal advice to determine that there were problems with it.

These issues, I think, are worthy of pursuit, and I look forward to continuing to pursue them. But noting the hour, I move that the committee rise, report progress and ask leave to sit again.

Motion approved.

The committee rose at 11:57 a.m.

The House resumed; Mr. Speaker in the chair.

Committee of the Whole (Section B), having reported progress, was granted leave to sit again.

Hon. G. Plant moved adjournment of the House.

Motion approved.

Mr. Speaker: The House is adjourned until 2 p.m. today.

The House adjourned at 11:58 a.m.

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 37th Parl, 5th Sess, Vol 25, No 19 (20 May 2004) at 11299 (Hon G Collins), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/37th-parliament/5th-session/20040520pm-Hansard-v25n19#bill54-C>.

MISCELLANEOUS STATUTES
AMENDMENT ACT (No. 2), 2004
(continued)

The House in Committee of the Whole (Section B) on Bill 54; J. Weisbeck in the chair.

The committee met at 2:47 p.m.

On section 35 *(continued)*.

Hon. G. Collins: Mr. Chair, I note that this morning when we concluded, the Attorney General was just

[Page 11300]

making some statements on this section, and his time had expired. I would ask that perhaps he could resume his comments, and we'll hear the rest of those comments.

Hon. G. Plant: I was in the process of describing how, in fact, the proposal here to create section 14 of the Municipalities Enabling and Validating Act (No. 3) was not

that revolutionary a matter. In fact, governments routinely come into the chamber to enact legislation that helps municipalities deal with administrative errors.

I think it would be interesting — given the extent to which the issue excited the attention of the opposition during question period and, really, has excited the interest of the opposition over the last day or so — to remind members of the House that this is a tool that was routinely used by the opposition when they were in government. In fact, they used it while they were in government to overturn court decisions.

In 1998, for example, at the initiative of the Ministry of Health, there was an amendment introduced by the former government to validate local government anti-smoking bylaws, and it made that validation despite any court decision to the contrary. That validation came in direct response to a court decision, which had found that a bylaw was invalid. That's one example, and there are other examples.

Earlier this session…. It may not have been earlier this session. It may have been last year when the opposition was happy to support government in essentially overturning a court decision under the Strata Property Act which, had it been allowed to stay in effect, would have made it extraordinarily difficult for the victims of leaky condos to maintain lawsuits against those they claim caused the damage they had experienced. We had to make a change to the Strata Property Act with respect to the rules that applied to how you decide when a strata council had the authority of its members to proceed with litigation.

Now, that's not to say that the court had made an error in its interpretation of the section as it was worded in the Strata Property Act that the former government had introduced and passed, but rather, the court decision would have had the effect of denying justice to many, many British Columbians. In those circumstances, it was argued that the public interest required that the Legislature step in and enact a provision that undid the court decision.

[1450]

This is not that unusual. It's certainly not done lightly. It's not done in a way that is in any way cavalier or does not take into account the whole of the public interest, but it is done from time to time. It's neither stunning nor revolutionary.

I know that the opposition leader in particular, who has expressed herself on this point in the last day or so, must have had a hard time choking back her indignation as routinely during the course of the years in which she was in government her colleagues brought in legislation which overturned court decisions. She must have had a particularly difficult challenge doing that on the occasions when she herself tabled legislation that had exactly the same result — as she did, for example, when it was necessary for the government of British Columbia to save all of the money it had

collected through probate fees under a probate fee collection regime that was determined to be unconstitutional.

Each of these issues has to be taken on its own merits. In this case we acted, as government, because the resort municipality of Whistler asked us to act. That was where the initiative came from. We acted only because we were satisfied that that community as a whole, both through formal and informal means, strongly supports this $120 million development that is clearly going to make a great difference in the lives of the people of Whistler, create a great opportunity for that community to add to its already powerful appeal to visitors and help as we all — as a province — move towards the 2010 Olympics.

I do think it's important that we take a step back from the rhetoric that often pervades these things and look at the facts. In this particular case the facts are that while there was, without a doubt, an error identified by a court in the course of the zoning process that led to the improvement of this development, the public interest requires that we intervene now and ensure that that error does not hold back this development. That is what we're going to do. I thought it was important that we at least spend a minute or two putting this amendment into its context for the benefit of members of the Legislature and other citizens who may be following the debate.

J. Kwan: I'll just make a short comment to reply to the Attorney General with section 35. The issue, of course, is about the motivation, which the opposition questioned in question period today, whereby the Nita Lake project is getting a green light through the miscellaneous bill that's before us. It is just coincidence, I know. The government likes coincidences, and it is just coincidence that Mr. Haibeck happened to donate $3,000 in 2002 to the Liberal campaign coffers and then another $8,500 through the Whistler Rail Tours company which Mr. Haibeck happens to be a partner in. It just so happens — and I know it's all coincidence — that we have this bill before us.

Having said that, I want to be very clear that the opposition actually takes no position on whether or not Nita Lake should proceed. The issue we do take, of course, is the overriding of court decisions through legislation. Anyway, it's not an attempt to prolong debate on this matter because we do have the Premier's estimates that we want to wrap up today — that we have to wrap up today — but I just wanted to make those comments on the record.

Hon. G. Plant: Just to remind the member that in this case, as I'm sure she knows, the bylaws related to the development were passed in the fall by Whistler following public hearings and other opportuni-

ties for public input. Whistler council made the decision that this project was in the best interests of the community. Their view was that the project had the support of the

community and would provide numerous benefits to the community. There were significant financial and legal commitments made when the bylaws were approved, including land transfers. By the time the court decision was made on March 15, work was well underway on the construction of the hotel.

The project actually will allow for the preservation of ten hectares of wetlands. It will allow for the enhancement of trails and parks, residential housing, employee housing and enhancements to public transit, including connection with the new passenger rail station. It's a $120 million investment creating 100 construction jobs and 150 permanent jobs. Those construction jobs have been in limbo along with the development as a whole. According to Whistler, without this amendment Whistler is very concerned that the development might not proceed, as any delay obviously always is a risk for financial viability of a project. That is also part of the factual context of the decision to accept the request by Whistler that we act in this way.

[1455-1500]

Section 35 approved on the following division:

YEAS — 40

Chong	Hansen	Bruce
van Dongen	Bray	Roddick
Masi	Lee	Cheema
Hagen	Murray	Plant
Campbell	Collins	de Jong
Harris	Christensen	Abbott
Coleman	Cobb	Jarvis
Anderson	Nuraney	Nebbeling
Hunter	Long	Trumper
Johnston	Krueger	J. Reid
Stephens	Nijjar	Wong
Visser	MacKay	Halsey-Brandt
Suffredine	Sultan	Sahota
	Manhas	

NAYS — 2

MacPhail Kwan

Sections 36 and 37 approved.

On section 38.

J. Kwan: Sections 38 through 47 repeal significant portions of the Railway Act. What is the general reason for these repeals?

Hon. G. Plant: My understanding is that most of the provisions that are being repealed relate to incorporation requirements, and the intention is that the incorporation requirements of the Business Corporations Act take the place of the Railway Act incorporation requirements. We are simply removing a whole set of rules that have traditionally applied to railways and actually may not have been used for a very long time because they're no longer needed. Railway businesses that wish to incorporate in British Columbia will do so under the Business Corporations Act.

J. Kwan: As far as I understand from the Business Corporations Act, "Foreign entities required to be registered," specifies that a foreign entity does not carry on business in British Columbia if its only business in British Columbia is constructing and operating a railway. That's the relevant section that applies under the Business Corporations Act.

[1505]

On that basis, is it the case that we only have rail within British Columbia that is a foreign entity operated by a foreign business? I actually know of other smaller rails in British Columbia that are not operated by foreign entities. Of course, I might add — and this certainly applies to B.C. Rail and to CN with the transfer and so on — that the competition bureau has yet to finish its review of that matter, so the deal is not yet done. But we are already repealing this piece of legislation?

Hon. G. Plant: I'm not sure if this will answer all of the member's question, and if it doesn't, the member should ask again. The B.C. Railway Company has its own statute and is unaffected by these amendments.

J. Kwan: Let me go to section 40 for a question to the minister, then.

Sections 38 and 39 approved.

On section 40.

J. Kwan: Section 40 repeals parts 2 and 4 of the Railway Act. Section 29(1) of part 4 relates to special matters requiring permission. This repeal removes provisions on special matters requiring permission. Section 29(1) states:

"A company may apply to the minister for any of the following: (a) permission to construct branch lines, or to extend the railway of the company; (b) permission to extend or add to the undertaking of the company and not falling within the scope of any statutory prohibition; (c) permission to invest the money of the company in the purchase of the bonds, stocks, shares or securities of any other company; (d) permission to acquire the undertaking or any part of the railway of any other company, or to sell the undertaking or any part of the railway of the company; (e) permission to amalgamate and consolidate the undertaking of the company with the undertaking of any other company."

Sub (4) then goes on to say: "A company must not do, or commence or attempt to do, any of the things referred to in this section without first applying to the minister and obtaining the minister's permission." Sub (10) states: "A spur or branch line constructed under this section must not be removed without the consent of the minister."

Let me ask this question, then, pertaining to section 40, which is section 29. Why are these provisions being repealed?

Hon. G. Plant: The main purpose here of removing these two parts of the old Railway Act is that, as I said earlier, new incorporations will occur under the Business Corporations Act. The fact that you incorporate, under the Business Corporations Act, means that you become a person in the eyes of the law with all the powers that a person has. Therefore, you would have all the powers that are contemplated under section 29 of the old act. So there is no longer any need to create a process whereby companies could acquire those rights or opportunities.

J. Kwan: Section 40 repeals parts 2 and 4 of the Railway Act. Is the minister saying those are duplications and are therefore not needed because the provisions contained in parts 2 and 4 are already contained within another bill under section 29 of the Railway Act?

[1510]

Hon. G. Plant: I'm advised that there are other provisions in other legislation, such as the Railway Safety Act, which would come into play and have some application if, for example, an existing railway wanted to construct a spur line. They may not cover exactly the same territory as is currently covered by part 4 of the act, but the view is that the requirement in part 4 of the act that you get the approval of the Minister of Transportation before any of those things can take place is regarded as unnecessary red tape.

Obviously, anything that a railway wants to do on land is going to have to involve acquisition of land, and it'll be subject to whatever rules apply to the land in question that they're buying or acquiring. There's a whole host of other rules and laws around things like environmental protection, and so on, that would come into play, but the additional requirement that rests here in part 4 — that you need to get approval of the Minister of Transportation before you set out to try to do any of those things — is, in the view of government, simply unnecessary red tape.

J. Kwan: Does the repealing of this section of the Railway Act — and, really, sections 38 to 47 — have anything to do with the B.C. Rail deal? Is it necessary? In other words, are any of these sections of this act required to facilitate the B.C. Rail deal?

Hon. G. Plant: None of these proposed amendments are required as a result of the B.C. Rail deal. They are unconnected to that deal.

J. Kwan: Does it have any impact, with respect to the operators, on the B.C. Rail line, soon to be CN?

Hon. G. Plant: It has no impact.

Sections 40 to 46 inclusive approved.

On section 47.

J. Kwan: Section 47 repeals parts 40 and 41 of the Railway Act. Part 40 deals with amalgamation agreements. Could the Attorney General please advise why it was necessary to remove the sections on the agreement for sale, lease or amalgamation of a railway?

Hon. G. Plant: I'm advised that there are similar powers and rules about amalgamations and those sorts of things in the Business Corporations Act. The view of government is that there is no need for a separate set of rules for railways.

J. Kwan: Sorry. I didn't quite catch the Attorney General's answer. For some reason, part of it….

Hon. G. Plant: I understand that part 40 sets out provisions regarding corporate amalgamations, and I know there are provisions in the Business Corporations Act that deal with the rules around when and how corporate amalgamations can take place. The view of government is that those rules, which apply to business corporations generally, should also apply to railways and that there's no need for a separate set of rules around issues like amalgamation for railways. That's why this set of rules is being repealed.

Sections 47 to 49 inclusive approved.

On section 50.

[1515]

J. Kwan: We debated section 50 earlier under, I think, section 31. Section 50 repeals the Video Games Act. I don't want to go into talking about the Video Games Act other than just to put on record that the opposition is against repealing the Video Games Act. I do think it does add to providing some regulation towards video games. Particularly in light of the changing medium that is out there around this and the exposure to video games of young people today — and children more particularly — we need to be ever more vigilant to come up with tools to deal with that, and I thought that the Video Games Act was a good tool.

Section 50 approved on division.

Sections 51 to 54 inclusive approved.

On section 55.

Hon. G. Plant: I move the amendment to section 55 standing in my name.

[Page 11303]

[SECTION 55, by deleting items 11 and 12 in the commencement table.]

Amendment approved.

Section 55 as amended approved.

Title approved.

Hon. G. Plant: I move that the committee rise and report the bill complete with amendment.

Motion approved.

The committee rose at 3:17 p.m.

The House resumed; Mr. Speaker in the chair.

Reporting of Bills

Bill 54, Miscellaneous Statutes Amendment Act (No. 2), 2004, reported complete with amendment.

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 37th Parl, 5th Sess, Vol 25, No 19 (20 May 2004) at 11303 (Hon G Plant), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/37th-parliament/5th-session/20040520pm-Hansard-v25n19#bill54-C>.

d) *Third Reading of Bills*

Mr. Speaker: When shall the bill be considered as read?

Hon. G. Plant: By leave, now, Mr. Speaker.

Leave granted.

Bill 54, Miscellaneous Statutes Amendment Act (No. 2), 2004, read a third time and passed.

III. Bill 74: Miscellaneous Statutes Amendment Act (No. 3)

a) *First Reading*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 37th Parl, 5th Sess, Vol 26, No 11 (19 October 2004) at 11557 (Hon G Plant), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/37th-parliament/5th-session/20041019pm-Hansard-v26n11#bill74-1R>.

MISCELLANEOUS STATUTES
AMENDMENT ACT (No. 3), 2004

Hon. G. Plant presented a message from Her Honour the Lieutenant-Governor: a bill intituled Miscellaneous Statutes Amendment Act (No. 3), 2004.

Hon. G. Plant: I move that the bill be introduced and read a first time now.

Motion approved.

Hon. G. Plant: I'm pleased to introduce Bill 74, Miscellaneous Statutes Amendment Act (No. 3), 2004.

Bill 74 amends various statutes to clarify provisions, correct inadvertent errors and make a number of minor housekeeping amendments. Thank goodness for that, Mr. Speaker.

Specifically, Bill 74 amends the following statutes: Community Charter; Community Charter Transitional Provisions, Consequential Amendments and Other Amendments Act, 2003 — always one of my favourite statutes; Court Rules Act;

Environmental Management Act; Gaming Control Act; Medicare Protection Act; Miscellaneous Statutes Amendment Act, 2004; Motor Vehicle Act — I thought we already did that one; Municipalities Enabling and Validating Act (No. 3); Personal Information Protection Act; Police Act; Protected Areas of British Columbia Act; Securities Act, 2004; Strata Property Act; and Vancouver Charter.

There was a minor provision that is untitled, which has to do with the status of the official opposition, but I didn't think it was worth referring to at this point.

Interjection.

Hon. G. Plant: It was a House amendment.

I will elaborate on these amendments during second reading and committee stage debate. For now, I move that the bill be placed on the orders of the day for consideration at the next sitting of the House after today.

Bill 74 introduced, read a first time and ordered to be placed on orders of the day for second reading at the next sitting of the House after today.

b) *Second Reading*

British Columbia, Official Report of Debates of the Legislative Assembly (Hansard), 37th Parl, 5th Sess, Vol 26, No 12 (20 October 2004) at 11617 (Hon G Plant), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/37th-parliament/5th-session/20041020pm-Hansard-v26n12#bill74-2R>.

Second Reading of Bills

MISCELLANEOUS STATUTES
AMENDMENT ACT (No. 3), 2004
(continued)

Hon. G. Plant:

…

In addition, Bill 74 amends the Gaming Control Act to clarify vague references and correct drafting errors. For example, references to the word "facilities" are being changed to the words "gaming facilities" to be more precise. Registration to work in the gaming industry will be subject to more defined suitability requirements and terms, to provide greater certainty and to protect public safety.

…

Motion approved.

Hon. G. Plant: I move that the bill be referred to a Committee of the Whole House to be considered at the next sitting of the House after today.

Bill 74, Miscellaneous Statutes Amendment Act (No. 3), 2004, read a second time and referred to a Committee of the Whole House for consideration at the next sitting of the House after today.

c) *Committee of the Whole House*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 37th Parl, 5th Sess, Vol 26, No 13 (21 October 2004) at 11636 (J Kwan), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/37th-parliament/5th-session/20041021am-Hansard-v26n13#bill74-C>.

MISCELLANEOUS STATUTES AMENDMENT ACT (No. 3), 2004

The House in Committee of the Whole (Section B) on Bill 74; J. Weisbeck in the chair.

The committee met at 10:19 a.m.

Sections 1 to 13 inclusive approved.

On section 14.

J. Kwan: On section 14 of the bill, it repeals section 95(d)(i) and substitutes the following wording: "a registrant or licensee and is acting in accordance with the conditions of registration or of the licence, or." It refers, of course, to the Gaming Control Act.

My question to the minister…. Well, first of all, could he advise the House: what is the purpose of this change? Let's start from there.

[1020]

Hon. R. Coleman: This is basically an unnecessary part of the act. It was actually a drafting error. It was contained in a previous piece of legislation.

What it essentially says is that the Lottery Corporation authorizes people to sell them equipment, but we

already register and license everybody that sells the equipment to begin with. Gaming audit and investigations already licenses these folks, so to say that the Lottery Corporation now has to go through another authorization when we already do it is just redundant.

J. Kwan: When the minister says the Lottery Corporation sells equipment, is he talking about selling it to retailers who, for example, have a 6/49 machine in their store? Are we talking about those kinds of sales? What are we talking about, exactly?

Hon. R. Coleman: No. These are individuals who would supply equipment to the Lottery Corporation or the odd charity, not actually retailing. If I'm not mistaken — I believe I'm right — we don't sell the 6/49 machines. We own them, and we rent them out. It's the same with all things, like…. All slot machines and tables are actually the property of the Lottery Corporation. Every casino in B.C….. They're not owned by the service providers. These are people who would sell equipment to the corporation, but they need to be licensed through GAIO, which they already are. For them to reauthorize is just redundant. That's all.

J. Kwan: I just want to be 100 percent sure that this section of the act has nothing to do with the expansion of gaming that the government has embarked on. As we know, the government has doubled gaming in British Columbia, by the Solicitor General's own admission. The government has expanded gaming and most recently has expanded gaming into the Internet. I just want to make sure that this section of the act has nothing to do with the expansion of gaming that this government is undertaking.

Hon. R. Coleman: The member is correct. This is just an administrative requirement.

Sections 14 to 17 inclusive approved.

On section 18.

…

Title approved.

Hon. G. Plant: I move that the committee rise and report the bill complete without amendment.

Motion approved.

The committee rose at 10:31 a.m.

The House resumed; Mr. Speaker in the chair.

d) *Third Reading*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 37th Parl, 5th Sess, Vol 26, No 13 (21 October 2004) at 11638, online: <https://www.leg.bc.ca/documents-data/debate-transcripts/37th-parliament/5th-session/20041021am-Hansard-v26n13#bill74-3R>.

Report and
Third Reading of Bills

Bill 74, Miscellaneous Statutes Amendment Act (No. 3), 2004, reported complete without amendment, read a third time and passed.

IV. Bill 31: Public Safety and Solicitor General Statutes Amendment Act

a) *First Reading*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 38th Parl, 2nd Sess, Vol 9, No 10 (26 April 2006) at 4024 (Hon J Les), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/38th-parliament/2nd-session/20060426pm-Hansard-v9n10#bill31-1R>.

PUBLIC SAFETY AND SOLICITOR GENERAL
STATUTES AMENDMENT ACT, 2006

Hon. J. Les presented a message from Her Honour the Lieutenant-Governor: a bill intituled Public Safety and Solicitor General Statutes Amendment Act, 2006.

Hon. J. Les: Mr. Speaker, I move that the bill be introduced and read a first time now.

Motion approved.

Hon. J. Les: I'm pleased to introduce amendments to several statutes that are administered by my ministry. These statutes that are to be amended are the Gaming Control Act; the Insurance (Motor Vehicle) Amendment Act, 2003; the Liquor Control and Licensing Act; and the Motor Vehicle Act.

The bill will strengthen our rules to ensure the integrity of the gaming industry. With this bill, government will be able to bring into effect the key measures introduced in 2003 to increase consumer choice and competition in the motor vehicle insurance industry. Public safety will be improved because we are streamlining the process for delegating authority to inspect liquor establishments to the police. This bill will help the

commercial trucking industry by reducing red tape and paperwork and providing permanent trailer decals. Finally, the AirCare program will be able to utilize on-board diagnostic testing of vehicles when conducting emissions testing.

I move that the bill be placed on the orders of the day for second reading at the next sitting of the House after today.

Bill 31, Public Safety and Solicitor General Statutes Amendment Act, 2006, introduced, read a first time and ordered to be placed on orders of the day for second reading at the next sitting of the House after today.

b) *Second Reading*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 38th Parl, 2nd Sess, Vol 10, No 7 (3 May 2006) at 4359 (Hon J Les), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/38th-parliament/2nd-session/20060503pm-Hansard-v10n7#bill31-2R>.

Hon. J. Les: I'm pleased to introduce amendments to several statutes that are under the administration of my ministry. In general, the purpose of these amendments is to make our legislation more effective in protecting the public interest in British Columbia, as well as to modernize and streamline legislation.

A number of the amendments to the Gaming Control Act are proposed in this bill that will improve the legal framework for gaming and ensure the province has the necessary authority to protect the overall integrity of gaming and horse racing in British Columbia. The amendments will strengthen the administrative aspects of the facility approval process while maintaining the requirement for local approvals and community input. They will also strengthen existing prohibitions against unauthorized gaming activities. Also, they will provide for the renewal of security clearance for key individuals involved in the regulation of gaming and strengthen existing requirements for gaming service providers to report changes in ownership or control in advance.

…

These are the amendments that are being proposed in this bill. With these amendments, our ability to protect British Columbians is enhanced, and their ability to comply with rules and regulations is made less burdensome. With that, I now move that the bill be read a second time.

J. Brar: I rise to respond to Bill 31. This bill proposes a number of amendments to the Gaming Control Act; Insurance (Motor Vehicle) Amendment Act, 2003; Insurance Corporation Amendment Act, 2003; Passenger

[Page 4360]

Transportation Act; Liquor Control and Licensing Act; and the Motor Vehicle Act.

I understand that this bill, in a general sense, is a housekeeping bill, but when I think about what the government wishes to ultimately achieve through the implementation of this bill, when I think about what the actual outcomes or impacts of this bill will be in terms of reducing harm to the community and making the community safer, then the idea of introducing this bill opens a number of questions on the lines of whether this bill will serve the people of British Columbia as the effective tool to do what it is intended to do.

The amendments to the Gaming Control Act seem to deal with search and seizure of illegal gaming operations. However, sections 5 and 6 define a non-binding dispute resolution mechanism under the B.C. Lottery Corp. that establishes host and affected municipalities and sets compensation guidelines.

We have some serious concerns with regard to these two sections, and we will deal with that when we get the opportunity for third reading of this bill. I'm sure my colleague from North Delta also has some serious concerns with regard to those two sections of the bill.

[H. Bloy in the chair.]

My understanding is that the intent of this bill is to provide the police and law enforcement agencies with better tools to deal with illegal gaming operations more effectively. My understanding, also, is that, at the end of the day, this bill has to serve the public good and reduce the negative impacts of gaming on the people of British Columbia. Those are good things. There's no doubt about that, but the more gaming activities in the province, the more the harm to the public.

My concern is that the gaming activity in this province has significantly expanded in the last four years. In 2001 this government promised not to expand gambling, but in fact, they did the opposite. The number of slot machines has doubled in the province. There's no cap on the slot machines, which used to be 300 in the past. One casino in Richmond has over 1,000 slot machines. Now the new minister has decided to install 500 new electronic racehorse tracks in the pubs and bars. Gaming is everywhere in the community as a result of the expansion of gaming by this government since 2001.

[2020]

The revenue from gambling has gone up as well — by $260 million — since the Liberal government took over. It's clear from the expansion of gaming that, for this government, it is the profit but not the people of British Columbia that comes first.

Is it a positive change? Is that a responsible management of gaming? Does that reduce harm to the people of British Columbia? Does that make communities safer?

Those are the questions we should ask when we think about the expansion of gaming that took place during the last four years — and encourage British Columbians, specifically young people, for gaming is not a positive change and does not fit into those five great goals which this government keeps claiming almost every day in the House.

My concern is that this government continues to refuse to acknowledge the expansion of gaming, although it is very clear that gaming has been expanded significantly during the last four years.

My other concern is the issue of trouble gamblers. This government has done very little to deal with trouble gamblers as compared to all other provinces in the country. That is an issue to which this government should be paying attention, because that is a very serious issue. Similarly, this government has done little on the important issue of responsible management of gaming. Those are the initiatives we need in this province to reduce harm to the public and to make the public safer.

If the ultimate goal of this bill is to reduce public harm from gaming activity, one would ask whether the minister has done any comprehensive review of gaming to identify areas that need improvements to reduce public harm. One would ask whether the minister has done any comprehensive review on the negative impacts of the expansion of gaming by this government.

I would like to speak briefly about the Liquor Control and Licensing Act as well. Again, it's a good idea to streamline the process for delegating authority to inspect liquor establishments to the police. Again, it's my understanding that the intent of this amendment is to improve the safety of communities by reducing harm caused by liquor misuse. From a commonsense point of view, the more that liquor is available in the community, the more that harm is caused to the community.

Surprisingly, the total number of liquor stores under this government has gone up from 774 in 2001 to 1,188 as of now. It's very surprising that the number of slot machines has doubled since the government took over, but on the other hand, 113 schools were closed by this government. The number of liquor stores has also almost doubled, but on the other hand, hospitals were closed by this government.

If the ultimate goal of this bill is to reduce public harm caused by liquor, then one would ask whether the minister has done any comprehensive review on the impact of almost doubling the liquor stores in the province. One would also ask whether this bill alone will reduce the harm caused by liquor or whether more needs to be done.

We also need to look into whether the minister has done any research as to what other provinces are doing to deal with a similar situation, particularly to make the community safer, when we talk about the gaming activity and the liquor issues. I will talk about that a little later.

At the same time we would also ask a question about the capacity of the police. We see bills after bills — introduced almost every day. That adds more responsibility and additional work for the police force we have in the province, but the capacity of the police at

[Page 4361]

this point in time cannot take any more work. Actually, they need more support to deal with the existing workload that they have.

My concern, once this bill is actually implemented, is how it's going to affect the ability of the police. Whether the police have the ability and capacity to do this work effectively or not — that is also a question the minister has to think about when introducing this bill in this House. I have no doubt that the chances of harm to the public with the expansion of liquor stores are much greater than the actual outcome of this bill once implemented.

Let us see what the other provinces have done to deal with similar problems, particularly to make the community safer. Alberta has already reduced the number of VLTs by 15 percent in the past three years and plans to further reduce those numbers. Nova Scotia got rid of 800 VLTs, or 30 percent of the provincial total, last year — a move which cost that province about $40 million in the annual budget.

Those are the things this government has to think of and to act on. Those are the initiatives which will make the real impact when we talk about providing public safety. This bill alone will not lead us anywhere. If we talk about whether this bill alone will fix everything, the answer is no. This bill certainly is a positive step, but there are much more serious issues, and there are much more important initiatives this government should be taking in order to achieve what the government wants to achieve by introducing this bill.

Therefore, it's clear that this bill alone will not achieve the ultimate goal of making the public safer. This government must consider similar initiatives as taken by the Alberta and Nova Scotia governments if the government has a real interest in making the community safer.

I would like to conclude by saying that I generally support the bill, but that does not mean we don't have any questions. We have a number of questions and concerns. We will debate those when we go to the third reading. Having said that, I would like to once again say that we support the intent of the bill, but much more work needs to be done if we really want to achieve what we want to achieve through this bill.

…

With that, Mr. Speaker, I move second reading.

Motion approved.

Hon. J. Les: I move that the bill be referred to a Committee of the Whole House to be considered at the next sitting of the House after today.

c) *Committee of the Whole House*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 38th Parl, 2nd Sess, Vol 10, No 8 (4 May 2006) at 4395 (Hon J Les), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/38th-parliament/2nd-session/20060504am-Hansard-v10n8#bill31-C>.

Hon. M. de Jong: In this chamber, I call committee stage of Bill 31, and in Section A, for the information of members, it's Committee of Supply, estimates of the Ministry of Forests and Range.

Committee of the Whole House

PUBLIC SAFETY AND SOLICITOR GENERAL
STATUTES AMENDMENT ACT, 2006

The House in Committee of the Whole (Section B) on Bill 31; S. Hawkins in the chair.

The committee met at 10:08 a.m.

...

Debate Continued

Sections 1 to 5 inclusive approved.

On section 6.

[1010]

G. Gentner: I would like to move an amendment to section 6:

[by adding the following paragraph to section 28(1)(c):
(m) Any appeal by a grieving affected local government to decisions made in Section 5 and Section 6 (1) shall be referred to a third party review board as prescribed by the Union of BC Municipalities and paid for by the host municipality.]

On the amendment.

Hon. J. Les: Having had a brief opportunity to review the proposed amendment, we feel that there is

nothing particularly useful that is contributed by the amendment. The dispute resolution process that is envisaged in the particular section, we feel, is very adequate to resolve any issues that might arise between the various jurisdictions.

[1015]

Amendment negatived on division.

Sections 6 to 8 inclusive approved.

On section 9.

J. Brar: Section 9 amends and strikes out the word "immediately." I would like to ask: what is the prescribed time line to deliver notice to the general manager once the word "immediately" is removed?

Hon. J. Les: The new requirement will actually be that that notification be provided in advance.

J. Brar: I'm sorry; if the minister could clarify the response again. Is there any time line for that, or is there any description of time line? This amendment suggests, of course, a huge change, which is removing the word "immediately," and then it could be endless time for that.

Hon. J. Les: I thought I had illustrated that fairly clearly, but I will try again. The current provisions are that a change takes place and there is immediate notification thereafter. I think that's inherent in the word "immediately." The change will provide for notification to be provided in advance — that is, before the change takes place. We feel that is a more responsible way to proceed in these matters.

Sections 9 and 10 approved.

On section 11.

J. Brar: Can the minister describe what it means by "reasonable grounds" under section 11, "Seizure of gaming supplies," 82.1?

Hon. J. Les: I think that when you read section 82.1, you need to look at the entire context. This contemplates a peace officer acting pursuant to a warrant, which will have been issued by a court. Of course, as always, a peace officer is required to use their best discretion when exercising the terms and conditions of such a warrant. I think that is exactly what is being described here.

J. Brar: Under section 82.3, which talks about detention and forfeiture of gaming supplies, we do have the Civil Forfeiture Act as well. Can the minister clarify how these two differ — this situation with the act that we already have, the Civil Forfeiture Act?

[1020]

Hon. J. Les: I appreciate the question from the member opposite in terms of how the operation of this section differs from civil forfeiture proceedings, for example. Civil forfeiture proceedings, as the member will recall from the discussion we had last fall, contemplate unlawful activities taking place, and civil forfeiture proceedings result from that unlawful activity. The Civil Forfeiture Act clearly lays out how one proceeds.

This act is somewhat different in that it potentially, for example, contemplates activities that have not been authorized or that are proceeding outside of regulation. I would suggest to the member that there is a distinction between those definitions and acts that are unlawful.

J. Brar: I do understand that there must be a distinction between the Civil Forfeiture Act and the definition of "forfeiture of gaming supplies." But there could be illegal activities out of the gaming supplies which could fall under the Civil Forfeiture Act. I think if the minister can define it a bit more clearly as to how these two things separate — the boundaries when it comes to regulation of these two things.

Sections 11 to 72 inclusive approved.

Title approved.

Hon. J. Les: I move that the committee rise and report the bill complete without amendment.

d) *Third Reading*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 38th Parl, 2nd Sess, Vol 10, No 8 (4 May 2006) at 4396 (Hon J Les), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/38th-parliament/2nd-session/20060504am-Hansard-v10n8#bill31-C>.

Bill 31, Public Safety and Solicitor General Statutes Amendment Act, 2006, reported complete without amendment, read a third time and passed.

V. Bill 6: 2007 Public Inquiry Act

a) First Reading

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 38th Parl, 3rd Sess, Vol 15, No 7 (5 March 2007) at 5743 (Hon W Oppal), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/38th-parliament/3rd-session/20070305pm-Hansard-v15n7#bill06-1R>.

Introduction and
First Reading of Bills

PUBLIC INQUIRY ACT

Hon. W. Oppal presented a message from Her Honour the Lieutenant-Governor: a bill intituled Public Inquiry Act.

Hon. W. Oppal: I move that the bill be introduced and read a first time now.

…

b) Second Reading

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 38th Parl, 3rd Sess, Vol 16, No 1 (8 March 2007) at 5961 (Hon W Oppal), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/38th-parliament/3rd-session/20070308am-Hansard-v16n1#bill06-2R>.

Hon. W. Oppal: I move that the bill now be read a second time.

…

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 38th Parl, 3rd Sess, Vol 16, No 2 (8 March 2007) at 5991 (Hon W Oppal), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/38th-parliament/3rd-session/20070308pm-Hansard-v16n2#bill06-2R>.

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 38th Parl, 3rd Sess, Vol 16, No 4 (12 March 2007) at 6071 (J Horgan), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/38th-parliament/3rd-session/20070312pm-Hansard-v16n4#bill06-2R>.

c) Committee of the Whole House

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 38th Parl, 3rd Sess, Vol 16, No 5 (13 March 2007) at 6134 (L Krog), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/38th-parliament/3rd-session/20070313am-Hansard-v16n5#bill06-C >.

PUBLIC INQUIRY ACT

The House in Committee of the Whole (Section B) on Bill 6; H. Bloy in the chair.

The committee met at 11:25 a.m.

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 38th Parl, 3rd Sess, Vol 16, No 6 (13 March 2007) at 6157 (L Krog), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/38th-parliament/3rd-session/20070313am-Hansard-v16n5#bill06-C >.

PUBLIC INQUIRY ACT
(continued)

The House in Committee of the Whole (Section B) on Bill 6; S. Hawkins in the chair.

The committee met at 2:29 p.m.

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 38th Parl, 3rd Sess, Vol 16, No 9 (15 March 2007) at 6320 (Hon W Oppal), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/38th-parliament/3rd-session/20070315pm-Hansard-v16n9#bill06-3R>.

Committee of the Whole House

PUBLIC INQUIRY ACT
(continued)

On section 42.

L. Krog: I didn't wish to disturb the rhythm of the committee at this stage, but section 52 of the Gaming Control Act is repealed by this. Not having had a full opportunity, perhaps the Attorney General can advise what section 52 of the Gaming

Control Act — the repeal of that section…. Why it's required as a result of the passage of Bill 6.

[1615]

Hon. W. Oppal: The answer is that the general manager's powers are no longer necessary. The powers of a general manager under section 44 of the Gaming Control Act read as follows: "The general manager is responsible for regulating horse racing and may (a) regulate the operation of all sites at which horse racing is carried on, (b) regulate the operation of all designated race horse training centres…."

It goes on to say: "The general manager may hold hearings relating to any of his or her powers or duties" under this act. He just doesn't, relating to subsection (2), hold hearings anymore. So the section really isn't necessary.

Sections 42 and 43 approved.

d) Third Reading

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 38th Parl, 3rd Sess, Vol 16, No 9 (15 March 2007) at 6321 (Hon W Oppal), online: < https://www.leg.bc.ca/documents-data/debate-transcripts/38th-parliament/3rd-session/20070315pm-Hansard-v16n9#bill06-C>.

Report and
Third Reading of Bills

PUBLIC INQUIRY ACT

Bill 6, Public Inquiry Act, reported complete without amendment, read a third time on the following division and passed:

VI. Bill 20: Miscellaneous Statutes Amendment Act (No. 3), 2010

a) *First Reading*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 39th Parl, 2nd Sess, Vol 16, No 5 (29 April 2010) at 5043 (Hon M de Jongl), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/39th-parliament/2nd-session/20100429pm-Hansard-v16n5#bill20-1R>.

BILL 20 — MISCELLANEOUS STATUTES
AMENDMENT ACT (No. 3), 2010

Hon. M. de Jong presented a message from His Honour the Administrator: a bill intituled Miscellaneous Statutes Amendment Act (No. 3), 2010.

Hon. M. de Jong: Mr. Speaker, I move the bill be introduced and read a first time now.

Motion approved.

Hon. M. de Jong: Bill 20 amends the following statutes: the Civil Forfeiture Act, Coastal Ferry Act, Evidence Act, Forest Act, Gaming Control Act, Greenhouse Gas Reduction (Cap and Trade) Act, Greenhouse Gas Reduction (Renewable and Low Carbon Fuel Requirements) Act, Liquor Control and Licensing Act, Mineral Tenure Act, Municipalities Enabling and Validating Act (No. 3), Police Act, Representative for Children and Youth Act, Safety Standards Act, School Act, Small Business Venture Capital Act, South Coast British Columbia Transportation Authority Act, Tobacco Control Act, Transportation Act and the Vancouver Charter. It also makes some consequential clarifying amendments to a number of other statutes.

I can also advise the House that, absent any extraordinary or unforeseen circumstances, today's legislation represents the balance of the government's legislative agenda. I'll be working with the Opposition House Leader to settle on a schedule for debate through the month of May and early part of June.

With that, I move that the bill be placed on the orders of the day for consideration at the next sitting of the House after today.

Bill 20, Miscellaneous Statutes Amendment Act (No. 3), 2010, introduced, read a first time and ordered to be placed on orders of the day for second reading at the next sitting of the House after today.

b) *Second Reading*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 39th Parl, 2nd Sess, Vol 19, No 1 (27 May 2010) at 5849 (Hon M de Jongl), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/39th-parliament/2nd-session/20100527am-Hansard-v19n1#bill20-2R>.

Hon. M. de Jong: I call second reading of Bill 20, which is a miscellaneous statutes amendment act and a fairly lengthy one at that, touching on a whole host of particular sections.

[C. Trevena in the chair.]

I'll go through them and can advise the members that when I come to section 36, dealing with the Representative for Children and Youth Act, I will update the House on discussions that have taken place. But to eliminate the anticipation, happily the government will not need to proceed with that section of the act, and it will not be proceeding. I'll provide additional information in a moment.

The act, as I said, deals with a number of statutes. I'll go through them in summary form. The practice, of course, is to deal with them in more detail when we get to the committee stage debate.

…

Amendments to the Gaming Control Act ensure that all forms of gaming continue to be strongly regulated as the industry becomes more diversified, complex and technology-based.

There are amendments to the Greenhouse Gas Reduction (Cap and Trade) Act to help integrate B.C.'s cap-and-trade requirements with those of Western Climate Initiative partners. Amendments to the Greenhouse Gas Reduction (Renewable and Low Carbon Fuel Requirements) Act ensure the effective implementation of the regulations and maintain B.C.'s position as a leader in reducing the environmental impact of transportation fuels.

…

I know as always, particularly with a bill covering as much territory as this miscellaneous statutes amendment act, that there will be general commentary in the discussion we are having now and more specific questions and observations and critiques as the bill proceeds into committee stage discussion later in the proceedings of the House.

With that, I move, as I did at the outset, second reading of the bill.

…

S. Simpson:

…

I want to now move on to one particular area that focuses in my critic area around Housing and Social Development, and that's primarily in the gaming area. There are a couple of other sections there. We will have some questions in relation to those when we get to committee stage, but there are significant changes related to gaming and gaming control in Bill 20.

The first area is an area that I think raises a much broader question about the viability of horse racing in British Columbia. There are significant changes here. These are changes that largely pull horse racing out of

control under Lotteries, will create a stand-alone organizational structure that will — as it appears by the legislation, and we'll confirm this — move the money that currently goes in through Lotteries and into general revenues. It will no longer go there. Those dollars will, in large part, go into an industry-based committee.

Now, we know that the Minister of Housing and Social Development has spoken to this. Industry officials have spoken to this. We know the horse-racing industry is in some trouble. We know there's talk about consolidation of thoroughbreds and standardbreds together in one operation and discussion about where it makes sense to do that.

We know the application of slot machines at Hastings Park and other facilities was expected and was hoped…. It certainly was the claim of the proponents that this would be the saving grace of horse racing by drawing all of those extra dollars, slot machine dollars, into the racetracks. It would allow them to increase the size of purses, would allow them to be able to create a thriving industry. We know those slot machine operations are not generating the kind of dollars that were anticipated, and we know that the horse-racing industry has some considerable challenges.

So there are questions about what this new entity looks like that the minister has been talking to people in the industry about. How will they make decisions? What are the plans? I think what we need to do is recognize that this piece of legislation here…. The changes in Bill 20, as they relate to horse racing, are meant to generate the revenues and the resources for that entity, whatever that is, to be able to move forward — presumably to try to save and put horse racing back on a sound footing in British Columbia.

I do look forward to being able to have a discussion with the minister in regard to what those plans look like and how, in fact, the community will have some ability to have some discussion around this. I know that in my constituency, where Hastings Park racecourse is, the thoroughbreds racecourse, there are lots of people who enjoy the thoroughbreds there. But there's always a discussion about what that future looks like.

Certainly, I know that if the thinking of the government and the industry is to consolidate both the standardbreds and thoroughbreds at one location, and possibly at Hastings Park, the community will want to have an opportunity to be part of a discussion about what the implications of that are.

A big part of this has to be: who is this entity that's going to be making these recommendations or decisions? How do they engage the community? What controls are on them in terms of their decisions? What role does Vancouver have in these decisions as a municipality, and what impositions does the provincial government plan to put in place in order to protect that industry? We will learn more about that as we move forward.

[1115]

One of the other issues that relates to gaming is certainly in the area of problem gambling. One of the things this legislation looks to do is for people who are in voluntary self-exclusion programs as gamblers, people with gambling problems and addictions, will be to remove their ability to claim winnings. That is an approach that has been used in some other jurisdictions with some effect.

We'll have to have a discussion more about what this all means and what the intentions of these changes are. As we've learned as very recently as last week, there is a huge problem in British Columbia around the program, the voluntary self-exclusion program, around how the government deals with problem gambling. Those problems relate both to, I believe, the 30 percent cut, the one-third cut in support for programs for problem gambling, but equally what has been clearly shown, not just in British Columbia but also in Ontario and Alberta, are the problems around enforcement on the voluntary self-exclusion programs.

These programs haven't worked. We've now had incidences with people in British Columbia who have come forward and said: "I've been on a voluntary program for 18 months. I have an addiction. I'm in the casino every weekend almost, and play for hours and hours and have bet thousands and thousands of dollars, and nobody's ever kicked me out."

There are doctors, addiction counsellors who have also raised those issues around that, so we do know that it is a big, big problem. They have seen similar problems in Ontario. In Ontario there have been at least 12 court cases related to this — nine of which have been settled, but three that haven't — around people who are on voluntary exclusion programs. But because the enforcement was weak, they in fact were continuing in the casinos and continuing to play.

Now, as I understand it, they're moving forward here and proceeding with what is a class action suit in Ontario around Ontario Lottery and Gaming, a $3½ billion class action suit on behalf of 10,000 people who are in the self-exclusion program and who feel that they're not receiving the support that they need.

Part of what the challenge is, and experts out of Alberta and elsewhere have talked about this, is that what happens is that people who have that addictive nature, particularly when it relates to gambling, of course sign up for this program. When they

sign up for the self-exclusion programs, they are under the expectation that in fact they're going to get some assistance. They're going to be helped to not go and be in casinos. The problem is that because of lax enforcement issues, it's not occurring, and they are continuing to be in there.

Dr. Jennifer Melamed, who is a physician in the Lower Mainland and an addictions specialist, has spoken about some of her patients. Her comment in the media the other day, and it was in reference to the program, was that: "If you say you're going to keep them out, then keep

them out. If you're saying it's a scam or a farce and it's not going to work, then tell the patients up front."

What we need to do is have a program that works. I know this piece of legislation does appear to be putting in place a piece around removing the ability of people to gain winnings, and that's one piece. But the critical piece here is: how do we make sure we keep people out of the casinos? I look forward to the opportunity to discuss that further.

Also, the piece that I don't see here and that we'll look forward to exploring with the minister is how the programs will be improved for problem gambling as it relates to electronic gambling — to the Internet and Internet gambling.

We know the government recently increased gambling limits from $120 a week to $9,999 per week that people can gamble on the Internet. They've increased the variety of programs and games that can be played that now will be much more appealing.

The government has an obligation to deal with that because, as we've been told by experts, Internet gambling is potentially the most problematic area for people who have an addictive nature. There are also great concerns there that it will appeal to young people — by young, I mean 25 or so — who may not be inclined to want to go to a casino but are very comfortable on their iPhone, on their Blackberry, on their computer using those types of tools to engage.

[1120]

If that engagement includes gambling, then we need to look at how those programs work, too, and I look forward to asking the minister and talking to the minister about how that proceeds.

The last comment I want to make, because we are running out of time here, is on issues around gaming security. We know that the government removed the illegal

gambling team for illegal gambling facilities. There has been, certainly, some question around that.

There continue to be issues around to what degree organized crime tries to make use of legal gambling either in order to be able to launder money or around loansharking. The legislation purports to improve and strengthen some of those activities to be able to control that more clearly. We will be looking to get some answers on that.

Also, on the liquor side, it appears to be an easing up of the relationship between liquor and gambling. There are some concerns there, and we'll be looking for some answers about what exactly the intentions of the government are there.

People have speculated on — I have no idea whether it's warranted or not — if we'll end up in British Columbia with a situation like Vegas, where casinos have the ability to give away free drinks to people in casinos, those kinds of things. That speculation out there — we'll be looking for affirmations from the minister that there is no intention for those things to occur.

With that, I know there are lots of other people to speak, and I will take my place.

V. Huntington: I just wish to be very brief in my comments on the Miscellaneous Statutes Amendment Act — Bill 20.

Firstly, I would agree with my colleagues. I am extremely pleased to see that the government has chosen to withdraw section 36, the children and youth act amendments, and I am delighted to know that Mr. Hughes has managed to arrange an appropriate resolution to the rather difficult situation the government and the representative found themselves in.

Briefly, and much to my own surprise, I'm strangely interested in some of the sections that are amending the Liquor Control and Licensing Act — in particular, section 121, which, if I'm reading it correctly, allows the general manager to exempt certain classes of licensing from review by local government. I am going to want to hear, during committee stage, the thinking behind that and whether I'm reading it correctly.

In my experience, the occasional request for a licence has generated some of the biggest public hearings that I've participated in. Neighbourhoods become extremely concerned about new licences coming into their districts, and I would hope that this section doesn't permit a unilateral decision that licensing is appropriate.

Section 126 of the amendments to the Liquor Control and Licensing Act, if I'm reading it, also appears to be a permissive section, in that the general manager can determine whether or not a licensee can serve specific types of liquor. When reading it, it looks as if they are not allowed to sell some liquors, to the exclusion of others, but

when you look at the interpretation and the reference comments, it does indicate a permissive resolution, or a permissive amendment, and that is extremely concerning to me.

I know that there have been many people employed in this province as liquor inspectors who have been working to prevent precisely those types of opportunities for bribery, collusion, threats, payoffs and extortion. I would hope that the ministry is not removing those protections from society.

> I'd also like to just comment very, very briefly on my appreciation for the amendments to the Coastal Ferry Act in part 12 of this act. As the Minister of Transportation will know, I asked a number of questions regarding my concern that the ferry corporation had gone into a competitive business arrangement that was impacting a very large and historic company in British Columbia.

I believe that if we want to support the free enterprise system in this province, you need to make sure that agencies of government are not able to compete unless it is on a fair playing field, a level playing field.

[1125]
[Page 5861]

I know that the ferry corporation would find itself in a conundrum here because they have been authorized or directed by the government to initiate new and innovative ways of creating revenue for the corporation. But when it is a revenue opportunity that directly impacts a competitive company or a company operating in the free enterprise system, then it is an unfair advantage. This legislation appears to rectify that.

I'm also pleased to see that section 216 moves reservation tariffs under the purview of the commissioner. They were formerly exempt — or not deliberately exempt but had fallen off the examination by the commissioner, as he was able to determine the tariff levels.

So I am very pleased with the response of the government to both industry and my suggestions that they review the advantage that B.C. Ferries had. With that, I will sit down and look forward to committee stage.

G. Coons: I rise to speak to Bill 20, the Miscellaneous Statutes Amendment Act (No. 3), and to look at a couple of issues. I just want to look at sections 42 to 44, dealing with the security cameras, the video surveillance. Yes, people are concerned about safety in our schools, but they don't think the solution is Big Brother watching every move, whether it's cameras roaming or creeping into classrooms or into change rooms or into offices.

It seems, again, this government isn't listening. It isn't listening to the concerns of parents, of students, of teachers, of staff and of the public. If this was such an important issue, then they would have given a chance for the public to have input, which they didn't.

The minister refers to this as amending the School Act to fulfil an election promise. Again, if they had concerns about election promises, then they would stick to the election promise of protecting health care and education or the promises from previous elections of not ripping up contracts or not selling B.C. Rail or the promise of not bringing in the HST.

Again, there are major concerns about sections 42 to 44 of Bill 20. The Office of the Information and Privacy Commissioner recommends that a public body should only use surveillance as a last resort. That, I believe, is what the public believes also. What will keep schools safe is having support workers, counsellors, teachers — not cameras in the classrooms.

In sections 42 to 44 they talk about the school planning councils. Their purpose, as described, is to acknowledge the importance of parental involvement, improving student achievement. So I don't really think that the school planning councils, where they are not enacted in, as my colleague said before, over half of the schools in the province, is the right format for putting in surveillance cameras. That's a section that we need to clarify and have many questions about.

I'd like to get to the important sections, in my mind: the ferry sections — being the critic for Ferries for a few years here now. We've seen this report, the comptroller general's report — which I believe is the enactor of this legislation — indicating that there have been many problems with B.C. Ferries since it was privatized, and then the government walked away from it.

We saw the executive salaries and the director salaries shooting up without any accountability, fares skyrocketing. Customers and taxpayers, who are the major shareholder, have received less service for their money. We've been saying for a long time, for up to five years, that to clean up B.C. Ferries, you need to amend the legislation. The comptroller general in her scathing report, I believe, consolidates those concerns.

When we look at what is in Bill 20, we look at the pay rates for executives to be in line with other Crown corporations and rolled back. But the one problem there is that the current executives are grandfathered in, and I'll come back to that a little later.

[1130]

We look at the separation of the board of directors and the B.C. Ferry Authority board, which was a problem for the Auditor General back in 2006. Four years ago there

were concerns about this, and this government failed to listen. Now they are finally separating the two boards.

There are the complaints of the drop-trailer service, of the reservation fees as being a cash cow. The commissioner, in his first three to four reports, told this minister and this government that the reservations system should be part of price caps and not an ancillary, unregulated portion. Now reservation fees will come under there.

Freedom of Information and Protection of Privacy Act. For years the public, the ferry advisory committee chairs, ferry users and this side of the House have pressured this government to make B.C. Ferries accountable and transparent by making it come under FOI.

Finally, the government has listened, after six or seven years. Actually, the Privacy Commissioner, in his recommendation in 2003 on the Coastal Ferry Act, basically said: "The operator should be required contractually to make available to the public on a regular and timely basis such safety reports as have been created in the ordinary course of its operations. I believe the public should have access to the records…." So the Privacy Commissioner had huge concerns about the exemption of B.C. Ferries and the authority from freedom of information.

You know, back in 2008 this side of the House put forward the Fair Ferries Act. The act increased the accountability of B.C. Ferries both to the government and to the public. It rolled back the salaries of the directors, which is now happening under this act, to a fair and reasonable compensation.

We put in that the ferry corporation and the authority come under freedom of information and protection of privacy and that it report annually to the minister so that B.C. Ferries is accountable to both the government and the public. A lot of these concerns that were in the

Fair Ferries Act that we put forward in this House are now being put into this legislation.

Now we look at an interesting section. That's section 246, where it stipulates that B.C. Ferries must hold a meeting by this September, September 2010, to separate the board and the authority. All of a sudden there's going to be a major change happening with B.C. Ferries, which the Auditor General had concerns about in 2006 and the comptroller general had in her report of a few months ago. That is finally going to take place so that there is accountability, there is no conflict of interest and we can move forward, hopefully, in maintaining a ferry system that's affordable, safe and reliable.

Also, what comes under this ferry act is the alternate service providers, where B.C. Ferries is mandated to go out and find alternate service providers, or private companies, to run the ferry system. It's a dismal failure. The comptroller general recommended that this be eliminated or revamped, and that is being revamped in this legislation.

There's a complaints process. Over the last seven years, even though there is the survey that's put out by B.C. Ferries that deals with cleanliness and reliability and safety, what we are seeing is major concerns about skyrocketing fares, decrease in services and how ferry-dependent communities are being treated. The social and economic contract with these ferry-dependent communities had been broken by this Liberal government, and hopefully, this legislation will help solve that.

What is missing in the legislation is the seventh guiding principle that the comptroller general brought forward, saying that the commissioner should look after the public interest when making decisions about price caps. The ferry advisory committee chairs wanted the minister to include this, and she failed to do that. Basically, the minister said that adding the seventh principle of public interest is unnecessary. This is a quote: "Certainly underwritten in the legislation is that there is a consideration of the public interest."

[1135] 

Well, for the last five years this side of the House has brought up who is looking after the public interest. The minister of the day would say it's the commissioner. The commissioner says he does not look after the public interest. It was out in limbo, and it still is in limbo. Who is looking after the public interest? That is something we need to question the minister on and perhaps put forward some amendments for.

Also, I believe that the Ombudsman needs to get involved as far as the concerns of the public, and we will question the minister about that.

More importantly, I think, British Columbians have a real concern about executive compensation. This legislation also, I believe, came on the heels of learning that the CEO and president was the million-dollar man of B.C. Ferries, where he made half a million dollars with 110 percent performance bonuses — a 55 percent short-term performance bonus and a 55 percent long-term performance bonus. All of a sudden that shot his salary up to over a million dollars. Compared to other public sector organizations, it was more than double their compensation.

The other four executives ended up getting a 35 percent performance bonus, both a short- and a long-term, for a 70 percent incentive, and it shot up their salaries to 75 percent higher than comparable public sector organizations.

Again, I believe that as we move forward, the legislation is something that this side of the House has been pushing for and the public has been pushing for, for the last seven years, and it finally justifies the work that has been done by those on this side of the House and those in ferry-dependent communities. But we need some changes as far as the bonus structure, the incentive structure, for those at B.C. Ferries in the executive positions, and hopefully, we will deal with that in the committee stage.

On that, I see this legislation as a lot of work over the last six or seven years by a lot of people in trying to let this government know that when they rammed through the Coastal Ferry Act in 2003 with no consultation, with no time for debate…. Now we are seeing that for the last six or seven years a social and economic contract has been broken with those that see B.C. Ferries as an essential service, as their vital link. This is a right step in the direction of making B.C. Ferries more accountable, more transparent and meeting the needs of those in ferry-dependent communities.

R. Fleming: I want to speak to a few parts of the bill this morning. I'm very pleased that this morning the Attorney General, the Government House Leader, announced that the section of the bill that can only best be described as an absolute assault on the ability of the children's commissioner to do her job has been withdrawn.

There's a lot to be worried about in respect to this government's treatment of independent officers that work for and have the confidence of this Legislature, whether it's some of the workings of Liberal members on committees regarding their budgets and their ability to do their jobs or, in this case, trying to prescribe those powers.

That has been dealt with now, I think, in response to the public furor out there, and that is a very good thing, because this bill in all likelihood will not receive the full debate that it deserves. It's a very comprehensive bill. In all likelihood, it will be passed and then later given royal assent after closure has been invoked.

So on that score, I think, before debate was allowed on the bill, it's a very good thing that the public was listened to, that the opposition was listened to and that government did in fact back down on what was going to be a very poor decision and one that was not in the interests of the protection of children and youth in our province.

[1140]
[Page 5863]

I want to speak as a coastal MLA a little bit to the section that my colleague just now finished speaking on around the Coastal Ferry Act. As an Island MLA in a ferry-dependent community whose economy is directly related to the efficiency and the service provided by B.C. Ferries, it's important to me that B.C. Ferries is governed properly, that it operates well with regular service. Part of that is that the morale in the company, the ferry service, and the operations of that company work very well, and a huge part of that is how the workforce is managed and how they perform their duties.

I'm concerned with one aspect of Bill 20 that may be a setback in regards to what we all desire in B.C. Ferries, which is labour peace and a positive labour relations climate. I think it's particularly important that that be a goal of government, especially in light of the B.C. Liberals' imposition of B.C. Ferries to be included as an essential service some years ago. That actually raises the bar and the obligation to treat workers with respect, to have an inclusive workplace, to incorporate workers' representatives into decision-making bodies.

My concern with this legislation is that instead of treating workers respectfully and acknowledging their legitimately elected worker representatives, the amendments here will remove the right of unions to have a designated nominee on the board, and that's a bad thing. The elimination of feedback and participation in operational decisions of the ferry — they don't have a majority; they have one representative — is a setback. It will cost management the ability to be informed directly of the thoughts of the worker organizations that are certified at B.C. Ferries.

What I'm concerned about, in an environment where basically the right to strike doesn't exist, is that this will potentially remove a safety valve and inflame the labour relations climate in B.C. Ferries. I don't think the legislation intends to do that, but by reducing worker voices in participation in management decisions, it could well end up doing that, and that's a huge step backward. That was a minor concession given by government when they set up the B.C. Ferry Authority many years ago, and it's being taken away today.

I want to confine the balance of my remarks in the scant time that we have this morning at second reading on this bill to part 5, specifically the Greenhouse Gas Reduction (Renewable and Low Carbon Fuel Requirements) Act amendments. This was an opportunity for the government to write some very serious loopholes in the low-carbon fuel standards that exist in this province and are enforceable for the very first time in this coming fiscal year.

There are some serious flaws with B.C.'s legislation, flaws that threaten to undermine the goal of the legislation, which is to achieve and contribute towards greenhouse gas emission reductions in the province of B.C. by requiring a biofuel additive standard and lowering emissions in the tailpipes of vehicles on B.C.'s road network. We know, and the government is aware, that the fuel standard that they brought into effect in 2008 is flawed, because all the leading environmental organizations have told them exactly that.

They've compared B.C. directly with California, which has a low-carbon fuel standard as well. To quote a news release from a major American and a major Canadian environmental conservation organization, they described B.C.'s low-carbon fuel standard as a 100-pound weakling compared to the California emissions standards that were brought in by Governor Schwarzenegger.

[1145]

There are two reasons why B.C.'s low-carbon fuel standards are flawed. The first is that there is no requirement for fuel suppliers in B.C. to account for the carbon content of the main fuel — not the additive but the fuel. The legislation is absolutely silent on whether the oil that is then refined into fuel comes from the tar sands, for example, in Alberta or whether it's from another conventional crude source.

That is important, because B.C. suppliers could actually increase their emissions if they increase their purchases from that source in Alberta. That fuel that originates from Alberta is 40 percent more carbon-intense than other sources of conventional crude. There is no distinction in this legislation, and the opportunity was missed here, by the government, to close this loophole.

The result is that by 2020, instead of reducing emissions from fuel consumption in vehicles by 10 percent, which is the target, we could be many percentage points higher than we are currently now — a fatal flaw in the legislation that was not picked up by this government and amended.

California, in contrast, does account for, and requires suppliers to account for, where the oil comes from and the carbon content of that fuel. It's also a missed opportunity to help Alberta and Canada get it right on regulations — carbon sequestration and CCS technology that is essential, that Canada must develop if it wants to continue to be a major oil producer and comply with where the world is heading on emission reduction targets.

A new international agreement to replace the Kyoto accord requires that to happen. It requires the Alberta situation to be dealt with. Our legislation here in British Columbia, the low-carbon fuel standard, gives the Alberta oil a free pass.

It's no wonder that every major environmental organization has panned this government's legislation and their fuel standard and that the Canadian Association of Petroleum Producers has given it a thumbs-up. That's not the test that we needed to have in order to have public confidence that this legislation is actually going to achieve its goals.

There's another problem with the legislation that wasn't fixed in Bill 20 that needs to be addressed, and

that is on the biofuel additive side. British Columbia does not require suppliers, again, to account for carbon pollution impacts of land use changes that result from growing the biofuel crops.

Now, this is something that the United Nations has said absolutely has to happen in relation to food scarcity and other concerns but also in relation to global emission targets for the atmosphere and the international discussions on tackling climate change.

Again, B.C.'s legislation is completely silent on this. This is something the opposition brought up in 2008 when the original legislation was debated. We tried to amend it then. The government ignored it. It continues to be a live issue, and government continues to get it wrong. They had an opportunity to right that flaw in Bill 20, and they didn't do it.

California, in contrast, does have the requirement of fuel suppliers to detail where their biofuel additives come from, how they were processed and what land use changes, if any, were required to receive those additives. Again, an opportunity for British Columbia, too, with regard to biofuels that we could get, potentially, from the forest sector, that could potentially be advantaged over other corn additives and ethanol blends, and it wasn't taken by government for the good of our economy but also for the good of containing carbon emissions.

There are some other points I wish to make around part 5, where government should have used this opportunity to address some loopholes and some free passes that are given to industry and major emitters in the province of B.C. I think they deserve to be aired here at second reading, in our somewhat compressed time.

[1150]

The act on the low-carbon fuel standard continues to ignore the marine diesel sector. The largest engines in the Lower Mainland that emit particulate matter, that emit greenhouse gases are in ships that burn some of the lowest-quality bunker fuel available, and they are completely exempt from the legislation that is being amended here in this section of Bill 20.

[Mr. Speaker in the chair.]

They're completely exempt when it comes to B.C. Ferries, our Crown corporation, which is the largest consumer of bunker fuel in British Columbia. They're not included in the carbon neutrality requirements of all the public service organizations in British Columbia. They can burn the lowest-quality bunker fuel that they like. They don't have to report or purchase offsets to account for their extremely large carbon footprint.

They don't have to make any efforts that other public sector organizations — like hospitals, colleges, universities and school districts — have to make to try and collectively lower the carbon footprint of British Columbia. I think that is a flaw that could have been addressed in this amendment, but the government again, instead of trying to retool and assist B.C. Ferries in reducing its carbon footprint, has simply exempted it.

Another point that I think was missed in this legislation. This is a theme that we're seeing in another piece of legislation. The B.C. Utilities Commission has been given no role in overseeing the low-carbon fuel standard in British Columbia.

We need independent verification to have credibility that the low-carbon fuel standard is actually achieving greenhouse gas emission reductions in British Columbia. The B.C. Utilities Commission is ideally suited to perform that role. It's been recommended to government in the past. Government has ignored those recommendations.

Bill 20 — once again, another missed opportunity by this government to actually correct its fatally flawed legislation, with all of the loopholes that I've spoken to this morning. Let me just say that it's extremely disappointing because it will undermine British Columbia's credibility within the Western Climate Initiative. It will be a case study for jurisdictions that are looking at their own low-carbon fuel standards, who will point to B.C. as an example of exactly what not to do when they draft their legislation.

M. Sather: I'll be very brief in my remarks. Just regarding section 77, the Greenhouse Gas Reduction (Cap and Trade) Act, with regard to emissions reports. This provides "a supplementary report in relation to immaterial inaccuracies" — as they are called — "omissions or changes." But it doesn't tell us what "immaterial inaccuracies" means. It's not defined in the legislation, and it appears that operators, those that are subject to a cap because of their pollution levels, can simply decide not to self-report by deeming any inaccuracies to be immaterial.

That's a concern. I have concerns about self-reporting in general, but this seems to kind of give an additional way for folks not to even have to self-report, because they can simply consider the matter to be immaterial.

Then, on section 79. This is with regard to "disclosure of information required for the purpose of verifying reports under the act" and has to do with things like protected information and trade secrets.

The prior bill that this amends was commented on by the Information and Privacy Commissioner, who wrote that the then section would represent a "significant encroachment…on the overriding Freedom of Information and Protection of Privacy Act policy of accountability through access to information, a particularly important consideration in relation to climate change measures and their enforcement, and urge you to withdraw these changes." Unfortunately, they weren't.

It's very difficult, particularly under this government's policies, to get any information on matters that are relevant and germane to the public interest, so I'm going to put in my disappointment with those changes not having been made.

[Page 5865]

M. Sather moved adjournment of debate.

Motion approved.

Committee of Supply (Section A), having reported progress, was granted leave to sit again.

Hon. M. de Jong moved adjournment of the House.

Motion approved.

Mr. Speaker: This House stands adjourned until 1:30 this afternoon.

The House adjourned at 11:55 a.m.

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 39th Parl, 2nd Sess, Vol 19, No 2 (27 May 2010) at 5887 (Hon M de Jongl), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/39th-parliament/2nd-session/20100527pm-Hansard-v19n2#bill20-2R>.

Bill 20 — Miscellaneous Statutes Amendment Act (No. 3), 2010

(continued)

Hon. M. de Jong: I want to thank…

Interjections.

Mr. Speaker: Members.

Hon. M. de Jong: …all of the members who participated in the debate around Bill 20. I'm obliged to them for their thoughts with respect to various sections. I know that we'll have a more detailed examination.

There was one part of the bill that didn't attract attention from everyone, but it drew attention from enough members that I just thought I'd take a moment to make this

observation. It's the one that the member for Nanaimo focused in on with respect to sections 42, 43, 44, around schools and the possibility of surveillance cameras being placed there.

The only point I would make to the House is this, and I know it will be explored further. I get the argument and the need to ensure that there is a balance between an overly invasive state and the right we all have, including students, to privacy and to be free from that type of interventionist activity.

But the sections are permissive to this extent. It is parents who will ultimately provide the means by which this happens. So it is incorrect, in my respectful submission, to have this characterized as a desire or a purposeful move by the provincial government to install surveillance cameras in schools across the province.

What we did hear from parents is that they would like the option, if they believe that in their schools it would add to the safety of their children. I know that will be explored further at the committee stage, but I did want, in thanking members for their participation in the debate, to make that point. I won't go through the section in detail. What I will do is move second reading.

Motion approved.

Hon. M. de Jong: I move the bill be referred to a Committee of the Whole House for consideration at the next sitting after today.

Bill 20, Miscellaneous Statutes Amendment Act (No. 3), 2010, read a second time and referred to a Committee of the Whole House for consideration at the next sitting of the House after today.

c) *Committee of the Whole House*

British Columbia, Official Report of Debates of the Legislative Assembly (Hansard), 39th Parl, 2nd Sess, Vol 19, No 6 (1 June 2010) at 6079 (L Krog), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/39th-parliament/2nd-session/20100601pm-Hansard-v19n6#bill20-C>.

Bill 20 — Miscellaneous Statutes Amendment Act (No. 3), 2010

The House in Committee of the Whole (Section B) on Bill 20; L. Reid in the chair.

The committee met at 2:34 p.m.

…

On section 90.

L. Krog: As I understand it, the effect of this section, and these sections generally, is to move horse racing out of the control of the Lottery Corporation. I'm just wondering: what's the point of doing this?

Hon. R. Coleman: First of all, I'll introduce my staff — Derek Sturko, who is the assistant deputy minister of the gaming policy and enforcement branch.

The question is pretty general, and maybe we could just work through the sections, because there are about three different issues that are being dealt with in these amendments. The first one actually deals with certificates of affiliation and gaming event licences, and it goes on to each section being a bit different.

The general question the member asked isn't properly canvassed by each section. If we could deal with the sections, maybe we could do it that way.

L. Krog: Noting the time here, I'm going to try and speed this up. I'm happy to see section 90 go, and then we go into section 91. I think that may lead to the area where the minister is going to answer my question.

Sections 90 and 91 approved.

On section 92.

L. Krog: I wonder if the minister is now prepared to talk about why we are moving control of horse racing out of the Lottery Corporation.

[1745]

Section 92 approved.

On section 93.

L. Krog: I was just waiting for the minister's answer.

Hon. R. Coleman: The only regulatory function that doesn't take place with the gaming policy and enforcement branch — and it's been this way for some time and needed to be corrected — is the collection of the horse-racing betting fee, which is today collected by BCLC. Then they give the funds to government.

Basically, it's the only regulatory function that isn't at the gaming policy enforcement branch. What we're doing is moving that regulatory function and the management of that fee to where it belongs in GPEB.

Section 93 approved.

On section 94.

L. Krog: This section makes reference to the betting fees that will be payable to government instead of the Lottery Corporation and provides for the application of the revenue.

[Page 6080]

I just wonder if the minister can confirm that this is going to be divided, as it notes in this section, "firstly, by paying into the consolidated revenue fund an amount equal," etc., blah, blah, and, "secondly, by dividing between or among prescribed organizations, that the minister may recommend, in prescribed proportions, that may differ for different organizations, any balance of collected fees."

What are the organizations the minister is contemplating? With great respect, this section reserves a power unto the minister which I thought we'd taken from King John at Runnymede, which was absolute authority to take in the money and distribute it unequally to the organizations that the minister may choose or not choose.

I think the minister, in fairness, will acknowledge that this is a pretty broad discretion. What are we contemplating by this section?

Hon. R. Coleman: In moving this, they're the exact same powers that exist now. There's no change in the powers.

Basically, for the member's information, the people that would be receiving the betting fee…. The government actually doesn't make money on horse racing. It all goes back to the two breeds. It's the standardbreds; it's the thoroughbreds. There's also a small part of the industry that still operates in some of the Interior racecourses, but it's a very small piece of the amount.

Obviously, the dollars that are required to operate the tracks are part of that total package, as well, with regards to how the money is managed. It's all managed by GPEB in relationship with those organizations.

L. Krog: Just so I can understand. These organizations — are they not-for-profits? Are they for-profit organizations? Do they have shares? Do they have members? How do they operate?

Hon. R. Coleman: They're non-profit organizations that represent the two breeds particularly. There's the HBPA, which is the Horsemen's Benevolent and Protective Association, I think it's called, which represents the thoroughbreds. There's another organization, which is the Standardbred Association and represents the standardbreds, which are the sulkies. They basically run the relationship between their breeds and government. But the purse pool and all that is managed by government, not in the hands of those organizations, so that horse racing can have some fiscal idea as to how their business can be run.

[1750]

Sections 94 to 109 inclusive approved.

On section 110.

L. Krog: This section disentitles participants in a voluntary self-exclusion program to any monetary prize or winnings. This issue was raised, actually, by a constituent of mine.

What that means is that if I've entered into the arrangement that I'm not to gamble, and I go in and gamble and I win, then I don't get the prize. That's my understanding of the effect of this section. The next question, obviously, is: who gets the money?

Hon. R. Coleman: I'll just spend a second on this one. This basically specifies that a person must leave a gaming facility if requested to do so by BCLC or the service provider and must not enter the game if they have been served with written notice as per a section of the act where they've entered into the self-exclusion program.

This adds a provision to that section that disentitles the participants in a voluntary self-exclusion program to any monetary prize or winnings if they participate in gaming in a gaming facility contrary to written notice delivered to them under the section.

The reason is that basically, it is to act as a part of the deterrent to the entire self-exclusion program with regards to people going back into our facilities after they've agreed not to go in. Any moneys they would win would be held back and have to be spent only on problem gambling research.

Sections 110 to 120 inclusive approved.

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 39th Parl, 2nd Sess, Vol 19, No 7 (2 June 2010) at 6123 (Hon M de Jong), online: <http://www.leg.bc.ca/hansard/39th2nd/20100602pm-Hansard-v19n7.htm#bill20-C>.

BIII 20 — MISCELLANEOUS STATUTES AMENDMENT ACT (No. 3), 2010

(continued)

The House in Committee of the Whole (Section B) on Bill 20; L. Reid in the chair.

The committee met at 2:45 p.m.

…

Title approved.

Hon. M. de Jong: Madam Chair, I move the committee rise and report the bill complete with amendments.

Motion approved.

The committee rose at 3:50 p.m.

The House resumed; Mr. Speaker in the chair.

d) *Third Reading*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 39th Parl, 2nd Sess, Vol 19, No 2 (2 june 2010) at 6131, online: <https://www.leg.bc.ca/documents-data/debate-transcripts/39th-parliament/2nd-session/20100602pm-Hansard-v19n7#bill20-3R>.

Bill 20 — Miscellaneous Statutes Amendment Act (No. 3), 2010

Bill 20, Miscellaneous Statutes Amendment Act (No. 3), 2010, read a third time and passed.

VII. <u>Bill 21: Budget Measures Implementation Act, 2012</u>

a) *First Reading*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 39th Parl, 4th Sess, Vol 29, No 9 (21 February 2012) at 9338 (Hon K Falcon), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/39th-parliament/4th-session/20120221pm-Hansard-v29n9#bill21-1>.

BILL 21 — BUDGET MEASURES IMPLEMENTATION ACT, 2012

Hon. K. Falcon presented a message from His Honour the Lieutenant-Governor: a bill intituled Budget Measures Implementation Act, 2012.

Hon. K. Falcon: I move first reading of Bill 21, Budget Measures Implementation Act, 2012.

Motion approved.

Mr. Speaker: Continue, Minister.

Hon. K. Falcon: Bill 21 is divided into two parts. Part 1 contains the non-tax measures in the budget, and part 2 contains many of the tax measures.

[1515]

Part 1 of Bill 21 amends the Gaming Control Act to clarify statutory responsibility for the administration and distribution of gaming grants. The bill also amends the Members' Remuneration and Pensions Act to extend the freeze on annual compensation for Members of the Legislative Assembly to the 2013-14 fiscal year.

…

I move that Bill 21 be placed on the orders of the day for second reading at the next sitting of the House after today.

Bill 21, Budget Measures Implementation Act, 2012, introduced, read a first time and ordered to be placed on orders of the day for second reading at the next sitting of the House after today.

b) *Second Reading*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 39th Parl, 4th Sess, Vol 34, No 2 (16 April 2012) at 10650 (Hon K Falcon), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/39th-parliament/4th-session/20120416pm-Hansard-v34n2#bill21-2R>.

Second Reading of Bills

BILL 21 — BUDGET MEASURES IMPLEMENTATION ACT, 2012

Hon. K. Falcon: I move that Bill 21, the Budget Measures Implementation Act, 2012…

Interjections.

Mr. Speaker: Members.

Continue, Minister.

Hon. K. Falcon: …be read a second time now.

Mr. Speaker, an important feature of Budget 2012 is government's response to the concerns of charities and non-profit organizations about the certainty of gaming grant funding.

[D. Black in the chair.]

The 2012-2013 estimates address the funding concerns by allocating an additional $15 million to the funding provided to these organizations through the community gaming grant program.

Bill 21 clarifies who is responsible for administering community gaming grants by creating a new position within the Gaming Control Act for a community gaming grants manager. All duties respecting community gaming grants that were previously held by the general manager are being reassigned to the newly created community gaming grants manager.

These measures are consistent with the recommendations from the community gaming grant review and will maintain the integrity and transparency of the decision-making process. This government respects the important work done by charities and non-profit organizations within their communities. The additional funding and the new clarity and accountability in the community gaming grant process will provide certainty to these organizations that they will receive the financial support they need to continue their important work.

Madam Speaker, government, as you know, has maintained a net zero mandate for public sector compensation settlements for collective agreements that expired in 2010 and 2011. For collective agreements expiring in 2012 and later, government's main priority remains unchanged: no additional funding for increases in compensation.

These measures are required due to the government's current fiscal situation. But it would be wrong for the members of the Legislature to apply that standard to the public sector without leading by example. Therefore, Bill 21 amends the Members' Remuneration and Pensions Act to extend the freeze on annual compensation increases for Members of the Legislative Assembly for two additional years. This

measure ensures government's wage mandates apply to everyone in government and reinforces our efforts to achieve a balanced budget, as required by law, in 2013-2014.

…

B. Ralston: I rise to address Bill 21.

Bill 21 contains the statutory changes designed to implement the minister's budget speech. By their very nature, many of those proposed amendments are technical and will be dealt with at committee stage in a more detailed and exhaustive way. However, I do have some comments at this time on Bill 21.

[1440]

Perhaps it's worth noting that there are some areas of the minister's budget speech which are not captured in this particular bill just yet.

In the budget speech the minister spoke of the B.C. seniors home-renovation tax credits, meant to be effective April 1. The budget speech said that that would be implemented by way of separate legislation, so I expect that that will be forthcoming at some point soon, given that there is some government publicity about the program and some interest in the program, understandably.

The increase in medical services premiums, which is set to take place January 1, 2013 — that increase is a scheduled 4 percent — will be accomplished by amending the regulations of the Medicare Protection Act and does not figure in this bill.

Perhaps most notably, HST transition measures are not in this bill. In particular, all the measures that are required to eliminate the HST and reinstitute the PST are not there.

The Referendum Act, under which the referendum was conducted last year, says, and I'm quoting from Referendum Act section 4: "If more than 50% of the validly cast ballots vote the same way on a question stated, that result is binding on the government that initiated the referendum."

Then the next section speaks of the duty of the government if the referendum is binding. I'm quoting from the section, and I think it is significant. Although there is some latitude given to the government, the direction of this section is fairly clear:

> "If the results of a referendum are binding, the government must, as soon as practicable, take steps, within the competence of the government, that the government considers necessary or advisable to implement the results of the referendum including any and all of the following: (a) changing programs or policies, or introducing new programs or policies, that are administered by or

through the executive government; (b)" — and this is perhaps the most significant — "introducing legislation in the Legislative Assembly during its first session after the results of such a referendum are known."

[Mr. Speaker in the chair.]

Now, we were here in the fall. We're obviously in the spring at this point. Thus far, the legislation implementing the results of the referendum, a binding referendum, have not yet been introduced. I look forward to

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that, and we haven't had an indication from the minister recently as to when that legislation might be forthcoming. One appreciates, of course, that the legislation is a challenging drafting task and will require much discussion with the federal government and federal authorities, particularly the Canada Revenue Agency, in order to implement those provisions.

Nonetheless, the direction given to the Legislature in the Referendum Act is very clear, and it doesn't, subject to anything the minister may care to say in debate later on, seem to have been taken to heart in the sense that we're well into the spring session, and the referendum results were known last August.

Finally, I would like, then, to turn to those items that the legislation does deal with. First, I might say that the further two-year freeze on the salaries of legislators, Members of the Legislative Assembly, is something that we support and expect. Notwithstanding the constraints that we have in debate at second reading, we will indicate our support at committee stage, just so that is clear. I want to place that on the record, lest there be any misunderstanding by those who follow these things, that we support that further two-year freeze on increases for Members of the Legislative Assembly in their pay.

The budget does implement a number of measures that were mentioned in the budget speech. It is, I think, really perhaps a linguistic or semantic quibble, but the expenditures that are referred to in the child fitness and arts credit enable a qualifying person to make a claim of $500 maximum but, if the maximum is claimed, to receive a credit of $25 a child. So while the claim is $500, and the minister spoke of that, the maximum credit that can be received is $25 — both the sports and the arts credits.

[1445] 

Now, these mirror similar — some have called them "boutique" — tax credits that have been introduced at the federal level by the federal Tory government. These appear

to mirror those exactly, perhaps an indication of the influence of federal Tory advisers in the Premier's office as the budget was put together.

Some would say that while…. I certainly appreciate that parents who have children either in community sports or who take some of the myriad of arts-related activities that children these days seem to engage in, at least some children — whether it's ballet, dance, music lessons or any of that sort of thing — will appreciate this.

But certainly, on the child fitness credit, there's a good argument that could be made that spending money that is more broadly available perhaps gives access to all children, regardless of their income level. I know there was a program — somewhat controversial, but I think the difficulties were ironed out — of contributing money to children's playgrounds on schools. This credit will inevitably favour those who have parents who are in a position to make those kinds of expenditures, although many parents do make sacrifices to enable their children to take part.

There are some organizations — such as the Right to Play, for example, which is a broad-based charity — that speak of at least one-third of children in any given population or city being unable to participate in organized sports because of the financial limitations of their families. One might wish that the tax expenditure that's made here was perhaps directed in a way that would more broadly benefit all of the community in the way that Right to Play suggests, as opposed to a taxed social expenditure by tax credit. That's clearly a political choice that the government and the minister have made. It's not one that I wholeheartedly endorse.

There are other credits in the bill — the training tax credit and the training tax credit for shipyard workers. I think those are more properly explored in the committee stage.

Broadly speaking, on the shipbuilding tax credit, since it is for recognized apprentices, that's something that we on this side support. It does give rise to questions, more broadly, about the kind of regime that one would wish for that applied to other industries as well. That's a question that we can explore at a later stage.

I do wish to deal with the issue of the enhanced dividend tax credit in a little bit more extensive way.

The basic principle of the tax credit is to avoid double taxation, in the sense that corporations pay income tax on the revenue that they earn, then, if they pay it out, if it's paid out in dividends, taxing it again might be considered double taxation. So the purpose of the tax credit is to give recognition for dividend income received from eligible Canadian corporations which has already been taxed as corporate income.

One of the policy goals of this kind of policy is what's called tax integration — in other words, to make sure that all types of income are taxed at approximately an even rate so that there's no opportunity for tax avoidance.

Now, this enhanced dividend tax credit was created, I'm told, in 2006. The ministry suggested that it did produce — it did achieve tax integration. However, since then, there have been substantial changes in both federal and provincial corporate income tax, largely by way of the decline of those taxes.

[1450]

It's now, I'm advised, the case that the tax rates applied to dividend income are now lower than on wages or salaries, and the operation of this amendment will make that difference slightly greater. That's something that the minister and I will explore when we get to committee stage, but suffice it to say, at this stage I'm concerned about the impact of that particular aspect of the bill.

The other provisions, I think, are relatively straightforward — the carbon tax, the application of the homeowner grant to low-income veterans. These are, I think, things that we support, but we'll look for the details of the implementation at a later stage.

The carbon tax. The legislation is clear. It does give rise to the broader policy question of the review that the min-

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ister has initiated. What is clear is that notwithstanding the fact that the review of the carbon tax is barely underway, the minister and the government are announcing exemptions from the provisions of the carbon tax — most notably recently to those who operate greenhouses that grow produce. They've been given a one-year exemption — I suppose, conveniently, to take them past the date of the next election.

This is not the way to do a review of an important policy like this, to give one-off…. Perhaps, notwithstanding the idealism of the Minister of Education, one might cynically conclude that these are politically driven and are not really in keeping with a broad and comprehensive policy review.

The stated purpose of the carbon tax was an elegant simplicity in the sense that it was a broad-based tax that applied to all forms of use of carbon with as few exemptions as possible. If one begins to do individual industry exemptions, the purpose, the statutory purpose and the professed statutory purpose, of the carbon tax begins to be eroded. I'm sure that the public has an interest in this and that it should be part of a

broader debate, but we'll perhaps have an opportunity to explore that at committee stage.

Finally, I would say the book publishing tax credit…. The agency that advocates on behalf of the book publishers made a fairly compelling representation at the Finance and Government Services Committee, and I'm pleased that the government has heard that suggestion. I think it's of interest to Canadian and British Columbia publishers that their efforts be recognized, to some degree, in the tax system.

With those brief comments, I would draw to a close. I should say, perhaps as a coda to my remarks, that we oppose the budget and these legislative mechanisms, notwithstanding the individual statutory changes that I've pointed to as being supported. But broadly, we oppose the budget, and we oppose this bill which seeks to implement the broad outlines of the budget that was placed before us some time ago.

Mr. Speaker: Seeing no further speakers, Minister of Finance closes debate.

Hon. K. Falcon: I thank the member opposite, the Finance critic, for his usual thoughtful comments. I was feeling pretty good about the entire speech up until the very last part where he advised that he was not supporting the budget. However, I acknowledge that that probably shouldn't be too much of a surprise.

However, I would like to share, for the benefit of the member opposite, that the response in the financial community to the budget, I think, is important, at least in this House, for us to understand. Having had the opportunity to canvass decision-makers in the major financial capitals of North America over the last week, I can assure the member that the response from those, at least the segment of the population that are the ones that make the investment decisions and make the decisions about whether or not to invest capital into certain markets, was extremely positive.

[1455]

The fact that we saw the major credit-rating agencies reconfirm British Columbia's position as a triple-A credit rating with a stable outlook I think is something that we can be very proud of.

The reason why that matters, of course, for all of us is that when you have the highest possible credit in a very uncertain world, it means that we as subsovereign province, as British Columbia is, in the great country called Canada have the ability to borrow at the lowest possible rates. It's kind of like if you're going to apply for a mortgage on your home and you've got the best possible credit rating. It really adds value and saves taxpayers millions of dollars which we can then apply to, of course, program spending or, in fact, paying down debt.

I am obviously disappointed in the lack of support for the budget, but I understand the real world that we operate in is a different world than perhaps what might be our considered ideal version.

However, the member did mention some other comments that I think I'll touch on very briefly because I think they are really worthy of discussion. He pointed out that he was wondering when the introduction of transition measures to move from the HST back to a two-tax PST-GST system would be coming forward. He appropriately acknowledged the massive drafting challenge that's involved. The fact of the matter is that the member opposite nailed it perfectly, because that is in fact the case.

What I want to assure the member of is that we will fulfil the obligation to get it in, in this session. But I think the member deserves to know that it is a huge challenge. I can give him my absolute word that drafters are working on this as a priority over all other initiatives right now in government to make sure that we meet that challenge of getting it in by the end of the session.

I do want to forewarn, if I will, the member opposite that it is a real challenge in this time frame. We are doing everything possible to ensure we do so. I was going to be talking to the member off line about that just to let him know that I'm not trying to do this in a way to bring in a very major bill late in the session. We are likely required, by the very nature of what the drafting process has been, unfortunately, to end up doing something quite near to that.

I want him to know he has my personal conviction and support to do everything possible to get that in at the earliest possible time that the drafters complete that drafting. I appreciate the member raising the issue and assure him that I will be giving every support to getting it in as quickly as I responsibly can. It's largely in the drafting process completely now. I don't get involved with that level of detail, as the member would know.

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Just to touch on something the member said with respect to the childhood fitness and arts credit program. The member is right to point out that the program is designed to mirror the federal program. Between the two of them, they provide some support to young families who have their kids involved in sports or arts programs outside of the school system. It's a way to provide, in the form of a tax credit, some support to those families to encourage them to continue to keep their kids in important arts and fitness programs that — I think all of us can certainly appreciate — are important to building a future where children get a full appreciation of the benefits of physical activity and, of course, being involved in the arts and cultural sector of our great province.

The member did point out a very valid point about the importance of funding for playgrounds. The good news is, Member, that we actually made an announcement — I was part of it — some many months ago. The date slips my mind. My recollection is it was a $9 million announcement that we would be funding a whole series of new playground ventures across the province.

Perhaps even more importantly, we have made it part of our new capital standard that every new school that is announced that will be constructed in the province of British Columbia will include playground equipment as part of that new school. That will take away the requirement to have parents have to be involved in raising money for….

Interjection.

Hon. K. Falcon: Thank you. I thank the Education critic for that. I do agree with the Education critic. I actually think that that's something that probably should have been in place a long time ago.

[1500]

That is something, I think, that will go a long way — in fact, will deal with exactly that issue — to ensure any child at any school in British Columbia will have access to the basic fitness and outdoor playground equipment that will ensure they take advantage of the opportunity to be physically active. Certainly, that is something we will see, as these playgrounds are being constructed as we speak, across the province.

The other issues that the Finance critic pointed out we'll have an opportunity to debate at the next stage, Committee of the Whole House, so I won't spend too much time on them. I just wanted to touch on some of the key points that I thought were validly raised by the member opposite.

I do appreciate the member opposite and his caucus for supporting government on extending the MLA pay freeze to another two years. Of course, that will follow on the prior freezing of the MLA rates that has taken place for the previous two years. I do think that in public life it is important for us to lead by example. Certainly, we're not asking the public sector to undertake anything that we are not undertaking ourselves. I do think that the support of the members opposite is appreciated, in that narrow part of it.

Perhaps, in the course of committee stage debate — who knows? — we might, through the power of my oratory and the force of my arguments, be able to bring the members to supporting the budget overall and joining the otherwise rather broad chorus of support that we've seen in the small business community, the investment community, the financial community and the credit rating agencies around the world that have endorsed the budget and the direction of this government.

With that, I would move second reading of Bill 21, the Budget Measures Implementation Act, 2012.

Second reading of Bill 21 approved on division.

Hon. K. Falcon: I move that Bill 21 be referred to the Committee of the Whole House for consideration at the next sitting of the House after today.

Bill 21, Budget Measures Implementation Act, 2012, read a second time and referred to a Committee of the Whole House for consideration at the next sitting of the House after today.

c) *Committee of the Whole House*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 39th Parl, 4th Sess, Vol 34, No 3 (17 April 2012) at 10711 (Hon K Falcon), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/39th-parliament/4th-session/20120417am-Hansard-v34n3#bill21-C>.

The House in Committee of the Whole (Section B) on Bill 21; D. Black in the chair.

The committee met at 10:05 a.m.

Hon. K. Falcon: For the benefit of the member opposite, as we work our way through, we'll have staff that will be coming in and out for various parts. We'll try and do that as expeditiously as possible. With that, we can move right into it.

Section 1 approved.

On section 2.

B. Ralston: This section is an amendment to the Gaming Control Act that creates the position of a community gaming grants manager and in three subsections sets out the role of that proposed addition to the staff complement at the gaming branch. Can the minister explain the rationale for creating the position, briefly outline the proposed duties and contrast those with previous practice?

Hon. K. Falcon: I am advised that these amendments transfer the duties of the general manager as they relate to community gaming grants to the proposed gaming grants manager. The amendments are necessary to clarify statutory authority. As the member opposite would know, the responsibility for gaming grants transferred from the Solicitor General's ministry over to the Ministry of Community, Sport and Cultural Development.

The effect of these amendments is to clarify statutory authority and to make very clear, consistent with previous recommendations in the world of community gaming who exactly is the individual that has responsibility over community gaming grants.

B. Ralston: Then in the hierarchy inside the branch this proposed officer, the community gaming grants manager, would report to the general manager. Is that the chain of command that's proposed?

Hon. K. Falcon: No, it's totally separate in that there is an existing ADM that will assume the role of community gaming grants manager. That individual, I am advised, will report directly through the normal reporting chain through to the Deputy Minister of Community, Sport and Cultural Development.

B. Ralston: Just so I understand it then, there will be a separate stream of reporting for the general manager. Who does the general manager then report to?

[1010]

Hon. K. Falcon: The general manager, who is still responsible for gaming policy and enforcement, is over in the Ministry of Energy and Mines. The general manager, I'm advised, reports through to the Deputy Minister of Energy and Mines.

B. Ralston: In the proposed section 40.1 the minister "may set the remuneration of the community gaming grants manager." Is there a proposed salary range for the manager at this time?

Hon. K. Falcon: I'm advised that the ADM will receive their current salary. So all this does is just take the same language, apparently, that existed prior to this and put it now under the Ministry of Community, Sport and Cultural Development, but it will be status quo. There will be no change to the salary levels.

B. Ralston: So 40.1(4) confers the power on the proposed manager to designate deputies of the community gaming grants manager. In the vein of the minister's previous response, are these existing positions who will be redesignated with that title? Or is there a proposal to add staff to undertake those duties?

Hon. K. Falcon: I'm advised that there is no new staffing being added and that this is just status quo and consistent with what existed under the prior ministry.

B. Ralston: In 40.3 there is some description of the duties of the community gaming grants manager. Will this change, in any way, the general duties that were attached when they were performed under the aegis of

the general manager? Or are these new duties that have been added?

Hon. K. Falcon: No, my understanding is that these are status quo — same as they were in the past.

B. Ralston: And 40.3(c) says that policies will be available to the public, "including by the internet or other electronic means." I take it that that doesn't change the current public access to government policy on gaming grants. Is that correct?

Hon. K. Falcon: It is the same as in the past, except that they've updated to include the Internet as one of the vehicles of public posting.

B. Ralston: Given that this officer or manager will be in one ministry and the general manager will be in another, will the appropriation for this program and the appropriation for those duties that the general manager is responsible for…? Will the requisite financial documents be changed to reflect that change in appropriation?

[1015]

Hon. K. Falcon: I'm advised that the dollars associated with the gaming grants, the $135 million, have been transferred over under the responsibility of the new community grants manager.

S. Chandra Herbert: I know that in the minister's speech regarding this bill he talked about how this bill will bring greater certainty to gaming clients. It would make sure that they understand how the process works.

So given that in the past there was great uncertainty, which I think is what the minister was referring to…. Of course, there were cuts in gaming but also changes to eligibility rules, making it so many organizations couldn't apply when they used to be able to. I think the regulation was…. We had film festivals, dance festivals. We're told that they were no longer community cultural celebrations and so thus did not qualify, but cowboy day festivals were regulation, did qualify as community cultural celebrations.

That was a decision, I believe, of the minister. Not this minister, I should say, made that decision. But my question to this minister would be: will this provide certainty in the sense of making sure that politicians don't get to get in there and decide cowboy days are the top-quality cultural festival but writers festivals are not?

Hon. K. Falcon: First of all, coming from the community of Cloverdale, where cowboys are held in very high esteem, I must take exception to the unintended slight of cowboy days. I'm not sure where cowboy days take place, but I'm sure it's an exceptional public event that is very deserving.

Look, first of all, I share in the responsibility that we made as a government. So we did make cuts and changes to eligibility rules around gaming grants, but we did so in a context, and the context was a global economic meltdown. I've said in the past that the decision we made caused a lot of angst. There's no question about it. I think I've publicly said that I apologize for the manner in which it happened.

The rationale and the reason behind doing so was to try and deal with a global economic meltdown of a scale and scope that was certainly traumatic to the revenues in government. So by restoring funding and putting in place the changes that have been made, we believe that this actually will provide that stability to the sector so that they have the certainty of knowing that there will not be dramatic changes or reductions in funding going forward.

We're exceptionally proud of our record of funding to the arts and cultural sector — still at record levels in the history of the province. But clearly, during the downturn, in the effort to get control of government spending, we had to make some very fast decisions, and that impacted a number of areas, including the gaming funding. I do want to acknowledge that and acknowledge the fact that that created a lot of upset in the community.

I am advised that the legislation does, in fact, separate the decision-making so that you've got a community gaming grants manager that can make these decisions. I don't want to pretend it's completely without political oversight. I believe it will operate in a similar fashion as was done in the past, but the community gaming manager, I understand, has the ability to make those decisions free from overt political interference.

S. Chandra Herbert: Well, I certainly have a number of cowboys in my family, so no slight on cowboys. And there are certainly some people who fashion themselves cowboys in my constituency. It's a little different. They might wear things not quite the same way as they do in Cloverdale.

[1020]

To follow up on the question, the minister said that this would provide greater certainty so that in the future we would not see what we saw in the past — deep, deep cuts and changes to eligibility rules. I'm just curious how. How does this provide that greater certainty, given that political oversight, as the minister stated, would still be the same as it was before, when that decision was made?

Hon. K. Falcon: I'm advised that the legislation and the amendments that we're seeking respond to a lot of the confusion that Skip Triplett, who headed up a review into the gaming sector, heard. Mr. Triplett heard a lot of confusion about: "Who actually makes these decisions?" "Where do I go to find out who that decision-maker is?" and "How do I find out, ultimately, what decisions have been made once they've been made?"

This will respond to that by having an individual whose title makes it very clear that they're the community gaming grants manager. That is their responsibility. There is still political accountability, obviously. Every government will be held accountable for the decisions made by the community grants manager under the purview of the minister responsible.

We've committed the $135 million so that there will be security, going forward, in terms of what the funding stream is going to be. As pointed out in this particular section that we were discussing earlier, there is public reporting now, both on the Internet and through the other means that are laid out in 40.3(c). They lay out the public reporting requirements so that everyone in the gaming world can sort of see what decisions were made and, you know, judge the decisions that were made by the community gaming manager.

S. Chandra Herbert: Thanks to the minister for the answer. For me, it does not, unfortunately, go quite far enough in terms of what the community has been asking for.

Certainly, I've heard from clients of gaming all across the province. In a previous life before I entered this House, when I worked in the arts, I would apply to gaming. The minister may not be aware, but already gaming puts their information of who receives funds on line, onto the Internet.

Now, I admit that the process may change slightly, but that level of accountability is there. Certainly, when I talk to people who receive gaming funds or who are interested in receiving them, it's never been the query around: "Is it a community gaming grants manager who you should talk to, or should it be the director?" The question has been, "When we apply, will they then change the rules after the fact?" as this government did.

When we have multi-year gaming grants, will the government claim those are not commitments? Will they say, "There are commitments, and then there are real commitments," as this government did when they tried to break their word to charities? Thankfully, the government backed down and did agree that charities that receive multi-year commitments of funding should actually get the money that they had been promised, because in many cases they'd already spent it.

They had the minister show up; they received the cheque, or so they thought. It was a fake cheque, but the real cheque was not going to be sent to them without the outcry which forced the government to back down.

[1025]

Unfortunately, it doesn't go as far as I think that the community wanted. They want to be able to see that there will be multi-year funding. They want to be able to see some sort of arm's-length process so that we don't get a situation where people apply and then the government changes the rules to make it so that projects which might work in their communities get money but which in other communities won't — like writers festivals or dance festivals.

Thankfully, the government did back down and agreed that arts and culture that serve adults as well as children should be able to apply, as well as environmental organizations, but there is great concern that maybe somebody else next year decides that they want to do this again. This does not provide the certainty that the community is looking for, I don't think.

I appreciate the minister's admission that the cuts went too far in the arts. However, we're not back to the level of gaming funding that we were before the government made these cuts. An admission certainly is appreciated, but the community, I think, would demand more. The report that was put forward by Mr. Triplett indicated a number of ways that we could provide greater certainty, which would go a lot further than the changes here.

I guess that I'll just go back to, again: what certainty can charities have that in the middle of a year a government might not just change the eligibility criteria after they apply? Has that issue been dealt with, with these changes? Or would a government still be able to do things that really pervert the process and make people feel that it's unfair?

Hon. K. Falcon: You know, the member has raised a lot of reasonable points. I think the challenge is that there are always, typically, more requests for dollars than there are dollars available. My limited experience in sort of watching this from afar — I've never had direct operational accountability for the ministry or this particular program — is that the staff actually do a very good job of trying to meet those demands as best they can.

The rules in place today are in response to some thoughtful recommendations that have been brought forward that I think will go a long way towards addressing the majority of the concerns that were raised. I rather doubt they will meet every expectation out there, but I do think they go a long way.

In terms of guarantees that that could never happen again, I can't speak to what the future governments in the future may or may not do. But what I can say and what I did say to the community…. I met with many groups that were at the receiving end of having changes made that impacted dollars that they were expecting, and I reminded them that these were very difficult decisions for government to make. The government was making the decisions — and a whole host of other decisions — to make sure that we got a handle on the fact that in the 2009 year in particular….

The economy and the downturn triggered by the Lehman Brothers collapse in the United States and the sub-prime mortgage meltdown had such a dramatic negative impact on government finances that for the first year in 11 years of budgeting — where every single year we outperformed our budget — that year of '09 was the

year that we underperformed to the tune of about $1.2 billion in the wrong direction.

That was something that was causing us great angst. We felt it was very important to make sure that we rein in spending dramatically so that deficit doesn't become, in fact, even larger and so that we secure the confidence of the financial community and the public of British Columbia to know that we were managing that — even though many of the decisions made to manage it were going to have to be difficult, including the decisions we had to make with respect to gaming grants.

What I can say to the member opposite is: having had an opportunity to have a look through the changes made here, I think this goes a long way towards providing and responding to what Mr. Triplett heard while he was out doing his reviews and his discussions. While there may be some that think it could go farther, I think that it struck the right balance.

I do think that the public reporting out, having an individual that everybody knows is the individual responsible for gaming…. Many people didn't even know what the gaming manager was and whether that person was the one that was responsible for this.

[1030]

I think having it very clearly laid out, having the $135 million under the auspices of the gaming grants manager and having the public reporting out will respond to the vast majority of the concerns that have been raised.

S. Chandra Herbert: Respond to the vast majority of concerns that have been raised. I would say that's vastly overstated. I think the concerns stay strong. The B.C. Association for Charitable Gaming continues to raise the alarm about the challenges facing charities.

I think there's also great concern that the minister in one sentence, earlier in a press statement, was arguing that the cuts went too far to arts and culture and that in fact arts and culture put more money back into the economy, more money back into taxes than they take in grants. So it's a little bit confused, I think.

As well, of course, we know that gambling profits continue to rise in the recession. They were some of the only areas. That's where those profits go — to communities. That's how we expanded gambling in this province. Communities were told that if they wanted to get charity dollars, they needed to accept expanded gambling.

I know certainly that was the argument made in Surrey around a project there. I think it was probably a year or two ago. That was the argument made to council — that if they didn't accept it, the communities wouldn't see an increased take from gaming. But in fact, what we've seen is an increase in profits from gambling and a declining amount of money going to charities, which were the ones that made the case, indeed, for increased gambling. Really, they got the short end of the stick, or they did not get the respect that I think they deserve.

I thank the minister for his statements. I don't think this issue will go away, because what we saw here was that all it takes is a government that doesn't respect charities in that instance to tear it all up, to make it very difficult for all those charities. To have a gaming grants manager will not change that if this government wants to do it again.

Certainly, Ursula in the gaming branch is well known by everybody across the province, so it wasn't a matter of them not being able to find Ursula. It was a matter of this government tearing up that social contract with charities that was the issue.

Thank you to the minister for his statements. We'll continue to work on this. I understand my colleague from Surrey-Whalley has a number of other questions.

Hon. K. Falcon: Look, we obviously have to get back to the legislation. I just think at a high level we should recognize that gaming revenues were impacted by the economic downturn too. We were hit at every single level, and there is….

When you're elected, you have to make tough decisions. We could have just decided not to do any change, but we didn't want to find ourselves having to read a Drummond type of report that they received in Ontario that starts to say: "You know what, government? Because you showed no discipline on the spending side, you're now facing huge, very uncomfortable cuts across the board that you may not have any control over."

We decided that wasn't a path we wanted to take in British Columbia. That means you have to make decisions. Not all of them are easy, and this was one of the ones that….

I agree with the member. I think the arts and cultural community are extremely important in our province and never as appreciated, perhaps, as they should be in terms of the contribution they make to our economy, if you want to just look at it from a strict economic point of view — which I don't think you should when it comes to arts and

culture. Nevertheless, I am a fan. I believe that the changes we've made here will go some considerable distance to responding to what we heard.

B. Ralston: The minister has referred to ministerial accountability. Of course, that's a bedrock principle of parliamentary democracy. But I just think it should be clear.... And I'm pointing the minister to proposed revision section 40.2, where it says that the minister "may issue written directives to the community gaming grants manager." And in 40.3: "The...gaming grants manager, under the minister's direction, must…." And it gives basically the broad duties of that position.

[1035]

Would it be fair to say — notwithstanding that this person will be in a position to provide informed and expert advice — that these two provisions make it very clear

[Page 10715]

that the minister will be issuing directives on policy and the minister will be directing the proposed manager in the broad areas of the management and direction with respect to the eligibility of organizations, so that the ultimate decision will rest with the minister and not with the community gaming grants manager?

Hon. K. Falcon: This is the same language that existed in the past, and it's important to understand that those are directives with respect to general policy, not specific directives with respect to specific decision-making. I think it is certainly consistent with what has been there in the past, and I think it's appropriate in terms of ministerial accountability for the overall program.

B. Ralston: Well, that's certainly a fair summary of section 40.2, but 40.3 is much more specific: "The…manager, under the minister's direction, must (a) provide management and direction with respect to the eligibility of organizations and approval of eligible organizations." That deals with individual organizations, as I read it.

Would the minister not agree that the plain wording — I assumed it was new because they're added to part 6 as additions to the statute — makes it very clear that the decisions about eligibility will be made under the direction of the minister?

Hon. K. Falcon: Again, I read that and it strikes me as entirely appropriate that the community gaming grants manager, obviously under ministerial direction, "provide management and direction with respect to the eligibility of organizations and approval of eligible organizations." Those aren't specific grants. This is just what the eligibility criteria of organizations are going to be and approval of eligible organizations. So I'm

not sure I'm understanding what the nature of the concern is. I think that strikes me as striking the right balance.

B. Ralston: Well, just so it's clear, what I am suggesting — and perhaps the minister can comment; perhaps he disagrees — is that the…. I'm not saying that this is inappropriate, but there was a suggestion that the minister was making earlier, I thought, that somehow this proposed manager had an ambit of independence. He's not an independent officer. He's not a statutory officer. He's administering policy that's developed, general policy by the minister, and the specific list of eligible organizations is going to be done under the minister's direction.

I just wanted, I think, since we're debating this, to make it clear to the public and those interested that ultimate responsibility for not only the general policy but the broad detail will rest with the minister.

Hon. K. Falcon: I guess it is, perhaps, a disagreement. You know, these are professional civil servants, and what is being laid out here is the fact that, certainly, there is going to be ministerial oversight and accountability with respect to setting criteria and direction in terms of eligibility — no question about that. But ministers and government will be held accountable for the eligibility criteria, etc., and will have to defend them, and that's entirely appropriate.

Again, the ambit of responsibility for the community grants manager is the specific decision-making around the difficult challenges of distributing the $135 million to the, gosh knows, hundreds of organizations that are asking for it. I have every confidence that the professional civil servants will do that and continue to do that in a manner that they've done in the past, which has, I think, been very successful, given the almost unlimited nature of the requests.

Sections 2 and 3 approved.

[1040]

On section 4.

B. Ralston: This amendment sets out the obligation of the community gaming grants manager to report to the minister by submitting to the minister "a report respecting community gaming grants for the preceding fiscal year." They also, at the request of the minister, may "report on specific matters in the manner and at the times required by the minister."

There's nothing in these amendments that requires the minister to make the report public. Can the minister advise: is it the intention that this report be made public? Or is there a proposed regulation that will deal with that?

I know in other statutes…. I'm thinking specifically of one that we debated not too long ago relating to regulation. It was a very brief statute and prescribed that the report be published and tabled in the Legislature, if my memory is correct. I'm just wondering, just to avoid this kind of debate in the future, why there's no specific provision here that it be required to be made public or that there be a regulation prescribing just when it would be released.

Hon. K. Falcon: I'm advised that this replicates previous language that existed in the past and that there will, as there has in the past, continue to be a public reporting requirement around this.

Section 4 approved.

…

With that, I move that the committee rise, report progress and seek leave to sit again.

Motion approved.

The committee rose at 11:55 a.m.

The House resumed; Mr. Speaker in the chair.

Committee of the Whole (Section B), having reported progress, was granted leave to sit again.

Committee of Supply (Section A), having reported progress, was granted leave to sit again.

Hon. I. Chong moved adjournment of the House.

Motion approved.

Mr. Speaker: This House stands adjourned until 1:30 this afternoon.

The House adjourned at 11:56 a.m.

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 39th Parl, 4th Sess, Vol 34, No 4 (17 April 2012) at 10745 (Hon K Falcon), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/39th-parliament/4th-session/20120417pm-Hansard-v34n4#bill21-C>.

BILL 21 — BUDGET MEASURES
IMPLEMENTATION ACT, 2012

(continued)

The House in Committee of the Whole (Section B) on Bill 21; L. Reid in the chair.

The committee met at 2:36 p.m.

…

Title approved.

The Chair: Shall the bill pass as amended?

Motion approved on division.

The committee rose at 4:20 p.m.

The House resumed; Mr. Speaker in the chair.

d) *Third Reading*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 39th Parl, 4th Sess, Vol 34, No 4 (17 April 2012) at 10757 (Hon K Falcon), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/39th-parliament/4th-session/20120417pm-Hansard-v34n4#bill21-C>.

Third Reading of Bills

BILL 21 — BUDGET MEASURES IMPLEMENTATION ACT, 2012

Bill 21, Budget Measures Implementation Act, 2012, read a third time and passed on division.

VIII. Bill 4: Miscellaneous Statutes Amendment Act (No. 2), 2014

a) *First Reading*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 40th Parl, 3rd Sess, Vol 16, No 3 (23 October 2014) at 4875 (Hon S Anton), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/40th-parliament/3rd-session/20141023pm-Hansard-v16n3#bill04-1R>.

Hon. S. Anton presented a message from Her Honour the Lieutenant-Governor: a bill intituled Miscellaneous Statutes Amendment Act (No. 2), 2014.

Hon. S. Anton: I move that the bill be introduced and read a first time now.

Motion approved.

Hon. S. Anton: I'm pleased to introduce Bill 4, the Miscellaneous Statutes Amendment Act (No. 2), 2014. This bill amends the following statutes: Agricultural Land Commission Act, Mines Act, Gaming Control Act, Police Act and Vancouver Island Natural Gas Pipeline Act. The bill also makes a validation and confirmation provision and a number of consequential amendments.

I move that the bill be placed on the orders of the day for second reading at the next sitting of the House after today.

[1335]

Bill 4, Miscellaneous Statutes Amendment Act (No. 2), 2014, introduced, read a first time and ordered to be placed on orders of the day for second reading at the next sitting of the House after today.

b) *Second Reading*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 40th Parl, 3rd Sess, Vol 18, No 1 (19 November2014) at 5431 (Hon S Anton), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/40th-parliament/3rd-session/20141119pm-Hansard-v18n1#bill04-2R>.

Hon. S. Anton: I move that Bill 4, the Miscellaneous Statutes Amendment Act (No. 2), 2014, now be read a second time.

[R. Chouhan in the chair.]

…

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This bill also amends the Gaming Control Act to provide greater clarity around enforcement actions that the gaming policy and enforcement branch may take against gaming service providers and gaming workers who violate the conditions of their registration under the act.

The amendment will also make it clear that enforcement actions may be taken in relation to a gaming service provider or gaming worker, as well as one or more gaming premises of a gaming service provider or gaming worker. Under the current wording of the act, the gaming policy and enforcement branch's authority to take enforcement actions for violations under the act may not be entirely clear to gaming service providers and gaming workers.

L. Krog:

…

Now, the Gaming Control Act. I suppose we could say that this wasn't a miscellaneous statutes amendment act. This was a government acknowledgment, "We made little boo-boos along the way," act. But that would hardly be a distinguished and appropriate title for a piece of legislation.

Instead, we're calling it the Miscellaneous Statutes Amendment Act. Of course, the Gaming Control Act…. The reasons for these changes aren't entirely apparent or clear. But there's a vulnerability, if you will, suggested, when the opposition released FOI documents earlier this year that showed that the Finance Minister — that brilliant, witty fellow, always so confident in his ability to manage the affairs of the chamber — had in fact okayed a $114,000 severance package for Michael Graydon, when he left BCLC, to immediately turn around and work for — guess who? — Paragon Gaming.

I don't want to dwell on the suggestion I'm making that this is the correction-of-boo-boo statute. I don't want to dwell on that possibility. But there might be some relationship between what's proposed with the Gaming Control Act amendments and, in fact, this recent history.

Now, in fairness, I think one should always tell the complete story, like the member for Prince George–Mackenzie the other day. He waxed so eloquently about the greatness and the political contribution of Chief Frank Calder — the "Little Chief," the first aboriginal member of this assembly. I know it was in his speech. I'm sure it was. He actually acknowledged that Mr. Calder was, of course, elected as a CCF member — not a Liberal

[Page 5434]

or a Social Credit member or Progressive Democratic Alliance or a Conservative member.

I think it's only fair that I, likewise in the spirit of fullness and full description and closure, do remind everyone, of course, that Mr. Graydon actually repaid $55,000 in

salary and holdback. Again, it points out a certain looseness in the government's arrangements. This bill, I suspect, may be some attempt to, again, clean up that little mess.

I'm not suggesting the government's like a little puppy running around the House leaving little messes all over the place. Far be it from me to suggest that. Perhaps that's essentially what we're attempting to accomplish here.

…

As I say, again, it seems to be in some respects, by and large, government's political response to the series of mistakes it's been making for a long time and a half-hearted attempt to assuage the public anger and frustration over a number of areas. Whether it's gaming problems, where you get a big payout and you get to wander off across the street and make a great deal of money….

I know there are a few lawyers in the chamber, and the general concept was that if you were terminated unreasonably, you certainly had a claim. But if you found work right away, the general concept legally and historically was that that had to be deducted from any award — unless, of course, you've been fired by the B.C. Liberals, in which case you got to walk out with the cash and immediately jump back into the trough someplace else and get some more cash. It's a great system. I'm sure somewhere along the way a few lawyers must have skimmed a few bucks off the top of that as well.

I'm tempted to ask, of course, if somehow Mr. Graydon might have had some indemnification from government for payment of his legal fees in defending this, but that would only be said in jest, of course, because I'm sure that's not the case, although we do look forward with interest every year to see who has received the benefit of indemnity.

With that, I'll cede the floor to the many other interested members who wish to speak to Bill 4.

…

D. Eby: I hesitated a moment there to see whether any members on the opposite side wanted to stand up and speak to this act at all.

Glad to rise and fill the vacuum left by the government in speaking to the second reading of this. In particular, I'll be speaking to part 3, which are the Gaming Control Act amendments.

Now, these amendments propose to change section 69 of the Gaming Control Act, which means that the gaming policy and enforcement branch can put conditions on

licences for individual workers and gaming service providers if they violate the conditions of their registration under the act.

This means that they can cancel registrations, which means you can't work in gambling in B.C. anymore. This means they could suspend reservations, which means that it's a cancellation for a period of time. Or there could be new conditions in place. There are other conditions, like you're not allowed to sell lottery tickets anymore. I think that the most interesting amendments are these ones about cancelling registrations that already exist and placing conditions on registrations.

Now, the government hasn't told us why they're bringing these amendments forward, but I can share with this House two obvious incidents that lead to the need for these changes. Both of them are related to Paragon Gaming and the B.C. Place mega-casino resort development in downtown Vancouver. I know that some members of this House are very, very familiar with these issues.

An Hon. Member: Who might that be?

[1810]

D. Eby: It could be anybody.

This spring the opposition released FOI documents that showed that the Finance Minister had signed off on $114,000 severance for Michael Graydon. Now, who is Michael Graydon? Michael Graydon was the head of the B.C. Lottery Corporation.

The B.C. Lottery Corporation has a really important job. They manage the casino industry on our behalf. They oversee the operation of casinos, they oversee the companies that provide services in B.C. casinos, and they manage day-to-day casino operations. They're responsible for casino security. They're responsible for casino compliance programs. They say they continuously monitor and review the activities of casino service providers in the province. That's the role of the B.C. Lottery Corporation.

Well, Mr. Graydon was the head of this organization. While he was in the position of being the head of the BCLC, he secretly, for two months, negotiated himself a job with one of the very service providers that he was supposed to be overseeing. Not only that; even after it became public that he had done this, he maintained access to his BlackBerry — to computer records within BCLC which contained very sensitive records of all of Paragon's competitors — and his access wasn't cut off.

If you were the government gaming policy and enforcement branch and you received an application from Mr. Graydon saying, "I would like to be certified as a gaming worker in British Columbia. I would like to work for one of these companies that I was overseeing at the same time as I was secretly negotiating a job with them," wouldn't you like to be able to say: "No, you are not able to work for Paragon. You had

access to sensitive, proprietary information of Paragon's competitors. You could easily use that information to Paragon's advantage. You secretly negotiated this, in violation of provincial conflict-of-interest rules, no"?

Or: "We'd like to put some conditions on your participation with Paragon. You should have no role in these areas where your conflict of interest would have jeopardized that."

Michael Graydon's story is exactly why I hope all members of this House support these amendments that allow B.C.'s gaming watchdog to prohibit or put conditions on

people who would like to be involved in the gaming industry. I don't suspect that Mr. Graydon ever thought that he would be the reason for legislation coming forward, but it seems to me he's one of the big reasons why we're seeing these amendments in this House today on second reading.

When we found out that the gaming policy and enforcement branch was investigating Mr. Graydon and deciding, even six months after he left BCLC, whether or not he should be allowed to participate in gaming in B.C., we also found out that they were investigating someone else. This is the second case, which is why I hope the members of this House support these amendments.

They were also investigating Paragon Gaming. Paragon Gaming is a very critically important gaming company in British Columbia. It wasn't always this way. They're a small Las Vegas company. They're not well known. They've only built two casinos in Canada; B.C. Place will be the third. But they are a very important player. The reason for that is that they were awarded a half-a-billion-dollar mega casino resort and development at B.C. Place.

The significance of the gaming policy and enforcement branch investigating Paragon is that it puts into question the awarding of this contract at Paragon. It puts into question the development that is headed by Paragon — proposed to be headed by Paragon, anyway — that includes a casino. And this casino development is supposed to pay for the leaky B.C. Place roof. So here we have the foundation of the house of cards at B.C. Place, and the leaky roof, being threatened by an investigation of the lead proponent, Paragon.

Why is Paragon under investigation? Why are these amendments important? It's a very simple answer. Paragon only built two other casinos in Canada — both of them in Alberta. One of those casinos, the Eagle River Casino, went completely bankrupt. It never made a penny when Paragon was operating it. When Paragon walked away from

Eagle River, it was losing $1 million a month in overhead alone. That does not count the interest that they owed to a large U.S. hedge fund.

[1815]

They built a casino in rural Alberta that managed to lose $1 million a day in overhead alone. This is quite an accomplishment. They ran this casino at 356 percent of the overhead of a local competitor of comparable size. Three times the overhead — that's quite an accomplishment. They managed to bankrupt it in four short years. When you have a company that has left their previous development partner with $81 million in debt, an empty parking lot, an empty lot where a hotel was promised to be built and was never built, and there are affidavits in court swearing that this is what happened….

As a government regulator, you see this company coming down the street, and they're saying, "We'd like to open a mega-casino in the middle of downtown Vancouver worth half a billion dollars." As the regulator, wouldn't you like the ability to say: "I know that you have a licence to operate right now in British Columbia, but you are a bankrupt. You walked away from $81 million in debt in another province. You are not the kind of company that we would like to have operating in British Columbia"?

That is why these amendments are important. It allows the gaming policy and enforcement branch to take that information — information that was available at the time this 70-year deal was signed — and say: "No, you no longer have a licence to operate a casino in British Columbia."

I do have to say I am impressed with the integrity of this government that they would bring forward these amendments at a time when it threatens the very existence of the keystone development partner in downtown Vancouver at the B.C. Place casino.

There is no question but that Paragon is under investigation by GPEB. There is no question but that Paragon is a bankrupt company that bankrupted their casino in Alberta in short order. There is no question but that these amendments would apply squarely to Paragon and would give the government regulator the ability to cancel Paragon's gaming licence, which means that they could not be involved in the casino at B.C. Place, despite the fact that they were awarded this massive 70-year deal.

I do respect the government's integrity in bringing these forward, but I do have to wonder about how we got in this situation in the first place.

I know that I can call on the integrity of all members of this House in asking them to support these amendments even though they know that passing these amendments may jeopardize the B.C. Place development which is being developed by a company with a history of bankruptcy, with a history of major problems in Alberta. But we still need to pass this, because we need a regulator that can protect and ensure the integrity

of B.C.'s gaming casinos, because without that reputation of integrity, we should not have a gaming program.

There are many people in B.C. who rely on the gaming industry and many community members who rely on the revenues of gaming. That is not an outcome that any of us are looking for. We want to preserve the integrity of our gaming process. We want the regulator to have the power that they need, even if they threaten to undermine decisions that may have been made by members of this very chamber.

…

Madame Speaker: Seeing no further speakers, the minister closes debate.

Hon. S. Anton: I move second reading of Bill 4.

Motion approved.

Hon. S. Anton: I move that Bill 4 be referred to a Committee of the Whole House for consideration at the next sitting after today.

Bill 4, Miscellaneous Statutes Amendment Act (No. 2), 2014, read a second time and referred to a Committee of the Whole House for consideration at the next sitting of the House after today.

c) *Committee of the Whole House*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 40th Parl, 3rd Sess, Vol 18, No 3 (20 November 2014) at 5474 (Hon L Letnick), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/40th-parliament/3rd-session/20141120pm-Hansard-v18n3#bill04-C>.

The House in Committee of the Whole on Bill 4; R. Chouhan in the chair.

The committee met at 2:15 p.m.

…

On section 5.

D. Eby: Section 5(a). I wonder if the minister could start by giving us the legislative intent behind this particular amendment.

Hon. M. de Jong: The amendment to section 69 of the Gaming Control Act is intended to make clear that, for any reasons under section 68 of the act, the general manager may issue a warning to a registrant, cancel or suspend the registrant's registration, impose new conditions or vary existing conditions on a registration.

It's also intended to, we hope, more clearly articulate the general manager's authority to impose new conditions or vary existing conditions in relation to specific premises of gaming services providers that have multiple sites. That whole question of premises versus individuals lies at the heart in part of the amendment.

[1640]

D. Eby: The definition of registrant in the amended subsection (1) would be gaming service provider and a gaming worker, inclusive of both of those. Is that right?

Hon. M. de Jong: I believe the answer is yes.

D. Eby: The subsections 1(d) and (e) both refer to…. Conditions can be imposed "either generally or for a period of time." I notice that there's not a maximum or a minimum period of time defined. Does the minister understand that there may be some sort of statutory limit on the period of time that these conditions could last under any enactment other than this one?

Hon. M. de Jong: We're not aware of any limitations embedded within the act itself. There's maximum discretionary authority given to the general manager. I can't, off the top of my head, think of any other limiting feature that might inhibit the discretionary authority of the general manager.

D. Eby: Perhaps there's a defined time, then, for a registrant's registration. Is it for two years, maybe, or five years as the maximum registration before it's renewed? On that note, are there particular standard clause conditions that are imposed on all registrations and that would be part of this as well?

Does that make sense? There are two parts to that question. The first is: is there is a fixed time for registrations that would cause an automatic renewal? The second is: are there standard conditions — for example, a fixed time — in these registrations generally?

Hon. M. de Jong: There is a general registration period. I'm advised that it's five years. The question I anticipated, perhaps based on what the member was referring to earlier…. That means that the conditions that might be applied by the general manager could extend through the period of registration — therefore, up to a maximum of five

years. They could be shorter, but they generally couldn't be longer than the period of registration.

The second question, I think, was on the existence of

a general set of conditions that would attach itself to a registration. The answer is yes, there are general terms. I don't want to suggest that there aren't variations or couldn't be variations, but there is a general set of conditions. I am further advised that they are available if the member wishes to see them.

D. Eby: I will follow up with the minister to obtain those. I appreciate his offer.

I may be missing something here, and I would appreciate clarification on it. When I read subsection (1) against the old act, the only substantial change I see is the "either generally or for a period of time" addition to subsections (d) and (e).

Otherwise, it seems like issuing a warning, cancelling a registration, suspending a registration, imposing new conditions or varying existing conditions were all captured under the previous act. Am I missing something here, or is that the only substantive change there?

[1645]

Hon. M. de Jong: I sort of alluded to this in the initial question from the member as to what lies at the nexus of this provision. The provisions that are being amended, that currently exist within the act, focus on premises. The member has alluded to that in his question. The concern is that, arguably, that restricts the gaming policy and enforcement branch's enforcement actions to actions against one or more specific gaming premises of a registrant but not the registrants themselves.

What has been done here, in the first series of provisions, is to create the ability to track and follow and apply conditions to the registrant, separate and apart from the premises. Then the subsequent section is dealing with premises.

D. Eby: Thanks to the minister for that clarification. The amended subsection (1) refers to the general manager, who I understand to be the chief, for lack of a better word, the head of the gaming policy and enforcement branch. Is my understanding of that correct? And are these powers fully delegable under, I believe, section 25 of the act? Could he ask a junior GPEB officer to cancel someone's registration or give that power, that authority, to do that?

Hon. M. de Jong: I should have mentioned that we have Mr. Mazure, who is the general manager — so we're not dealing in the abstract. And yes, the authority that exists under these provisions can be delegated and, I am advised by Mr. Mazure, has been delegated to the director of corporate registration.

D. Eby: I'd like to take this opportunity to welcome the general manager to the House. It's a pleasure to have him here. Grateful to have such a knowledgable person on this.

Subsection (2) in the Gaming Control Act, section 69, refers to fines. I'm wondering why fines aren't included, for example, as subsection (1)(f) here, where you could impose a fine in addition to conditions. For example, you can do (a), (b), (c), (d), (e) and (f). You could do a combination of a fine and conditions.

Is it your understanding that the drafting of this allows a fine to be imposed, as well as conditions? Or does the authority have to make a decision between a fine or conditions for a given issue with a service provider or a worker?

[1650]

Hon. M. de Jong: I think I understood the question to be: are there any limitations on the imposition of a fine in concert with any of the actions contemplated in what would become section 69(1)? If that is the question, then I'm advised the answer is: no, there are no legislative impediments to the imposition of a fine in concert with any of these actions.

D. Eby: That was exactly my question: whether one of the options available for a single infraction by a registrant could include conditions and a fine at the same time for the same violation — just to clarify that the minister is correct on that point.

I'm going to be moving to section 5(b) of Bill 4. My question relates to the general structure of this. I'm having difficulty understanding why specific conditions — for example, selling lottery tickets, who can sell lottery tickets, particular games that may or may not be permitted — have to be posted.

Why are these conditions listed out specifically, which could be understood to limit the discretion of the general manager or his delegate? Why wouldn't you just leave it open and say "conditions as are appropriate to the circumstances" or "as are reasonable in the circumstances in the opinion of the general manager"? They seem remarkably specific — lottery tickets and particular games — when you might have any number of potential violations you'd want to address through conditions.

Hon. M. de Jong: I'll give you a general answer, and that may help the member probe further. The language is specific, and that's because the focus of this section is (1) lottery retail and (2) to cover circumstances like convenience stores. I won't mention

a specific one, but I think the member understands what I mean by convenience stores — one operator, multiple locations. In those circumstances, the intention is to contain language that is specific about the activities engaged in and also recognize the fact that, in that case, the registrant has perhaps many, many different premises or locations.

D. Eby: Then, it's the minister's understanding that in addition to these very specific conditions, general condi-

tions or warnings or suspensions could also be applied by the general manager to a single location of a large convenience store chain or a chain of casinos, for example?

Hon. M. de Jong: Yes.

[1655]

D. Eby: The minister was very fast in that answer, which didn't give me a chance to prep the next question. It'll just take a second to find my notes here.

Can the minister advise why he has chosen to make it discretionary to post the conditions in public view at premises rather than mandatory any time conditions are issued under this section?

Hon. M. de Jong: I was just canvassing with staff. Obviously, there is a discretionary authority here in what circumstances it might be necessary or appropriate to exercise that discretionary authority. An example that I've been provided with is the fact that the condition relevant to a particular premises may pertain specifically to a single employee of the registrant. In those circumstances, it may or may not be necessary and/or appropriate to post something to the public. It may in some cases, but in other cases it may not.

Section 5 approved.

On section 6.

D. Eby: There seems, to me, to be an omission here in the consequent amendments. I'm sure I'm not correct on that. I just would like to know why it has been omitted. It looks like subsection 69(3) as amended isn't included in this consequential amendment section. I'm curious about why 69(1)(d) or (e) were included but not conditions that might be imposed under subsection (3). Is it because…? I'm not going to guess, because it'll just sound worse.

I'm just curious about why it doesn't say "imposed or varied under section 69(1)(d) or (e)" or sub (3)"?

[1700]

Hon. M. de Jong: Once again, I'll start by providing the member with a brief description of why the amendment is necessary at all. That'll give him an opportunity to probe further the rationale.

There is a gap that will occur as a result of the amendment we have just made in section 69. Section 105(8) of the Gaming Control Act refers to conditions of registration for gaming services providers or gaming workers — registrants.

Section 105(10) presently states that those conditions are in addition to conditions attached under section 56(3) and as the general manager's discretion to attach varying conditions to registrants.

This amendment also includes conditions on a registrant that are imposed or varied according to subsections (1)(d) and (e) under the revised section 69. We're ensuring that the authority and the link also exist with respect to the amendments that we have just considered and passed by the committee.

D. Eby: That concludes my questions on section 6.

Section 6 approved.

[1500]

d) *Third Reading*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 40th Parl, 3rd Sess, Vol 18, No 7 (25 November 2014) at 5578, online: <https://www.leg.bc.ca/documents-data/debate-transcripts/40th-parliament/3rd-session/20141125pm-Hansard-v18n7#bill04-C>.

Report and
Third Reading of Bills

BILL 4 — MISCELLANEOUS STATUTES
AMENDMENT ACT (No. 2), 2014

Bill 4, Miscellaneous Statutes Amendment Act (No. 2), 2014, reported complete without amendment, read a third time and passed.

IX. Bill 57: Attorney General Statutes Amendment Act, 2018

a) *First Reading*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 41st Parl, 3rd Sess, Issue No 185, (19 November 2018) at 6504 (Hon D Eby), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/41st-parliament/3rd-session/20181119pm-Hansard-n185#bill57-1R>.

Hon. D. Eby presented a message from Her Honour the Lieutenant-Governor: a bill intituled Attorney General Statutes Amendment Act, 2018.

Hon. D. Eby: I move the bill be introduced and read a first time now.

I'm pleased to introduce Bill 57, the Attorney General Statutes Amendment Act, 2018. This bill amends a number of statutes under the mandate of the Ministry of Attorney General. They include the Civil Resolution Tribunal Act, Class Proceedings Act, Gaming Control Act and Legal Profession Act.

…

Bill 57 makes three amendments to the Gaming Control Act to address the intent of four recommendations made by Dr. Peter German's report on money laundering. These amendments provide new authorities to the gaming policy and enforcement branch to begin the process of creating a more independent regulator.

…

Mr. Speaker: The question is first reading of the bill.

Motion approved.

Hon. D. Eby: I move that the bill be placed on the orders of the day for second reading at the next sitting of the House after today.

Bill 57, Attorney General Statutes Amendment Act, 2018, introduced, read a first time and ordered to be placed on orders of the day for second reading at the next sitting of the House after today.

b) *Second Reading*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 41st Parl, 3rd Sess, Issue No 187, (20 November 2018) at 6613 (Hon D Eby), online:

<https://www.leg.bc.ca/documents-data/debate-transcripts/41st-parliament/3rd-session/20181120pm-Hansard-n187#bill57-2R>.

Hon. D. Eby: I move that the bill be now read a second time.

…

Dr. Peter German's report *Dirty Money: An Independent Review of Money Laundering in Lower Mainland Casinos* makes 48 recommendations to address money laundering in B.C.'s gambling industry. Government has accepted all recommendations in principle from Dr. Peter German's report.

Bill 57 makes three amendments to the Gaming Control Act to address the intent of four of the report's recommendations. These amendments provide new authorities to the gaming policy and enforcement branch to begin the process of creating a more independent regulator.

[1:35 p.m.]

…

With that, hon. Speaker, I look forward to hearing what other members have to say about this miscellaneous statutes amendment bill.

A. Olsen:

…

The third act adjusted by this legislation before us is the Gaming Control Act, one that has been the source of a lot of conversation in British Columbia over the past number of months. It continues to enact the recommendations of Peter German's report into money laundering released earlier this year. It enables the gaming policy and enforcement branch to issue directives without ministerial approval, further strengthening the authority of the regulator to respond to money-laundering concerns. It also allows the gaming policy and enforcement branch to ban, in consultation with the RCMP, individuals suspected to have been engaged in money laundering in British Columbia casinos.

…

I'm also pleased to see the further commitment to the recommendation of Peter German's report on money laundering, in addition to more action in remedying the problems faced by ICBC. I look forward to learning more about these changes at committee stage, as they mark an important step for improving justice in our province.

I'll take my seat now and thank the Speaker for the opportunity to speak to this bill today.

Hon. C. Trevena: Seeing no further speakers, I move second reading of the act.

Motion approved.

Hon. C. Trevena: I move the bill be referred to a Committee of the Whole House to be considered at the next sitting of the House after today.

Bill 57, Attorney General Statutes Amendment Act, 2018, read a second time and referred to a Committee of the Whole House for consideration at the next sitting of the House after today.

c) *Committee of the Whole House*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 41st Parl, 3rd Sess, Issue No 190, (22 November 2018) at 6800 (M Lee), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/41st-parliament/3rd-session/20181122pm-Hansard-n190#bill57-C>.

The House in Committee of the Whole (Section A) on Bill 57; J. Rice in the chair.

The committee met at 4:32 p.m.

…

On section 22.

M. Lee: Now we're on part 3, "Gaming Control Act Amendments," under Bill 57. Certainly, working with my colleague as a critic for gaming, the member for Richmond-Steveston, I'd just like to run through a few questions here on this particular part of Bill 57.

We understand that these changes that are being proposed to the Gaming Control Act were in light of recommendations from the German report. Could the Attorney General please address which specific recommendations are these amendments meant to address?

Hon. D. Eby: I'm joined by Rachel DeMott — she's the director, policy and communications — and Sam MacLeod, ADM and general manager, both from the gaming policy and enforcement branch. Thanks for joining us here to assist us through this process.

These relate to recommendations 2, 27, 30 and 31 — recommendation 2, that the GCA clearly delineate the roles and responsibilities of BCLC and the regulator; recommendation 27, that British Columbia transition to an independent regulator in the form of a service delivery Crown corporation; recommendation 30, that anti–money laundering be a responsibility of the regulator; and recommendation 31, that the regulator also be the regulator of the B.C. Lottery Corporation.

GCA stands for Gaming Control Act.

M. Lee: I appreciate that what is set out in subsequent sections 22, 23 and 24 are steps to address what the Attorney General referred to in terms of the recommendations. Can the Attorney General give us a sense as to the additional steps that will be necessary in order to carry out those recommendations?

Hon. D. Eby: Just to clarify the member's question, the four recommendations that I listed or the entirety of Dr. German's report?

[5:40 p.m.]

M. Lee: What I meant by that is: in terms of what's proposed here under these amendments, are there further amendments that will be required or other policy changes or statutory changes that will be required in order to implement the recommendations from the German report?

Hon. D. Eby: Yes, there are many, many, additional statutory amendments coming. What the member will see over the coming months and potentially beyond…. What we're doing right now are the amendments that we can do quickly, out of the gate, to begin to achieve the spirit of the recommendations. Then going forward….

For example, one of the recommendations that this section deals with, recommendation 27, is that British Columbia transition to an independent regulator in the form of a service delivery Crown corporation. Now, that is a significant undertaking with separate legislation establishing a Crown corporation and policy and procedures, and so on.

All of this amendment in front of us takes us a step closer in that direction. We are still a ways off from achieving the entirety of recommendation 27. This will be a phased implementation of Dr. German's recommendations.

The member will remember that there was a recommendation around establishing a police force. This is not a small undertaking. So he will see, and the public will see, going forward, how we roll this out. We have a deputy ministers–ADM committee that is sitting — because it's multiple ministries involved here: Public Safety, our ministry, Finance — that is working on the project plan for implementation of all of

these recommendations. This is a very significant piece of work, and it will be rolling out over months and years, not just in this legislation.

M. Lee: Thank you for that response. That certainly demonstrates, obviously, the scale of the recommendations in that report and the time that will be required to implement those recommendations.

Speaking to the initial steps here, can the Attorney General please share with us the instances where the right to refuse entry has been necessary at gaming facilities and how this will expand the scope of that coverage — certainly the general manager of the Lottery Corporation or the person acting on behalf of the Lottery Corporation.

What's the expectation in terms of what's been occurring to date and what this provision will enable in the future?

Hon. D. Eby: The member will recall that one of Dr. German's interim recommendations was to have the gaming policy and enforcement branch members present in the casino at peak times, not just Monday to Friday, nine to five. That's been a significant project for the gaming policy and enforcement branch to hire up and get people in place to do that.

The concern is that they're there. They're in the casino. They may be doing an anti–money laundering investigation. They identify an individual who is engaged in activity that is undesirable in the facility. They need to have the ability to bar that person from the facility. They don't currently have that ability, and we want to give them that ability, in terms of being an independent regulator, to say, "No, I'm sorry; you're not allowed to come into the facility," and to make that decision as an independent regulator.

M. Lee: I appreciate that one of the initial initiatives the Attorney General took was to deal with the staffing during peak times. Could we just…? Given that it's related to this, just in terms of the current update on the status of how many individuals are performing those roles and what that looks like at the gaming facilities currently.

[5:45 p.m.]

Hon. D. Eby: The gaming policy and enforcement branch was given authority to hire 12 additional employees to do this work. Four are currently doing this work right now, in addition to the complement that already existed. Eight beyond those four have all received offer letters and are in various stages of being placed. Gaming policy and enforcement branch employees have been deployed at Lower Mainland casinos at peak hours for quite a period now. The additional hiring is in relation to relieving some obvious strain that has come from deploying people from different areas and making sure that there's coverage.

As the member might expect, working late nights and weekends at a casino might not be everyone's cup of tea, so hiring has been a bit slower than we'd hoped. But we're in a place now where all 12 are either out the door, working, or have received offer letters or are in some process of being brought on to start work. So some good progress has been made there.

Noting the hour, I move the committee rise, report progress and seek leave to sit again.

Motion approved.

The committee rose at 5:46 p.m.

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 41st Parl, 3rd Sess, Issue No 192, (26 November 2018) at 6868 (J Yap), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/41st-parliament/3rd-session/20181126pm-Hansard-n192#bill57-C>.

The House in Committee of the Whole (Section A) on Bill 57; D. Routley in the chair.

The committee met at 2:50 p.m.

On section 22 *(continued)*.

J. Yap: It's good to be here. I appreciate the opportunity to engage in debate on this bill at committee stage. I appreciate the opportunity to pose a few questions to the minister. In respect to this section, which covers the Gaming Control Act amendments to reflect the implementation of all the recommendations accepted by government of the German report, I have a few questions.

In reviewing the minister's comments at the last sitting of this committee, he mentioned that there are "many, many additional statutory amendments coming" and that we can look forward — I think the exact words were — "over the coming months and possibly beyond…to achieve the spirit of the recommendations," referring to the German report.

My question to the minister is: what is the government's timeline for fully implementing the recommendations?

Hon. D. Eby: I think that I addressed this question for the member's colleague last day. In any event, this is a long-range project, as the member will know. Setting up a new police force is not something that happens overnight.

I can advise the member that we have achieved…. I believe we're up to eight, now, of the recommendations, of the 40. This particular section relates to four of the recommendations. We could say nine, but one of the recommendations was to continue an existing policy, so I don't really count that one.

In any event, this section relates to recommendation 2, that the Gaming Control Act clearly delineate the roles and responsibilities of B.C. Lottery Corp. and the regulator; recommendation 27, that B.C. transition to an independent regulator in the form of a service delivery Crown corporation; recommendation 30, that anti-money laundering be a responsibility of the regulator; and recommendation 31, that the regulator also be the regulator of B.C. Lottery Corp.

J. Yap: I appreciate the minister's response. This is clearly a very important issue, one that the minister has put in a lot of focus to raise attention to, commissioning the German review and subsequent report and now a second review by Dr. German. Clearly, this is a very critical issue for the province of British Columbia. I appreciate the minister's comments that this is quite an involved process that will require some time.

Again, does the minister have a deadline when he expects that the German report recommendations will be fully implemented? Does he foresee, perhaps, the spring of next year or the fall of next year? I'm trying to get a sense, given the urgency of this issue of money laundering and that, as the minister has said over the last 16 months, this is a major issue. What is the deadline the minister has set to fully implement the German report?

Hon. D. Eby: What the member is seeing in this section is an example of our approach to this. Staff have gone through and identified the recommendations that can be implemented quickly through minor statutory amendments.

[2:55 p.m.]

There are recommendations that require major legislative drafting approaches that involve engagement with other jurisdictions, because Dr. German recommended that we follow, specifically, a standards-based approach used in Las Vegas, used in Ontario. These are big, big projects.

The member, having been in government, will understand my reluctance to give a timeline, except to say to the member that we are working urgently on this and to put as many controls into place as we can. I can advise the member that as far as the bulk cash piece, which is the part that caused a lot of concern for British Columbians and casinos, we changed the rules and said that casinos may not accept cash unless they know where it comes from. When we had concerns around implementation, the B.C. Lottery Corporation brought in a third party, Deloitte, to oversee the implementation of that policy, to ensure that casinos were getting it right, because we take it very seriously.

J. Yap: I appreciate the minister's response.

Let's move on to the minister's comments at the last sitting of this committee in regards to the on-site, in-casino — high-volume casinos in the Lower Mainland, especially — auditors or inspectors who will be right there on site to monitor the potential for money laundering and/or other illegal activity. I'm wondering if the minister can share with us whether he has any metrics, any results that have been documented to date with respect to this program. We do appreciate that there have been hiring challenges. Four out of the target of 12 auditors have been working away as on-site auditors or inspectors. I'm wondering if the minister can share with us if there are any metrics and results so far of their work as individuals with this specialty who are deployed, in the minister's words — have been deployed for a period of time now.

Hon. D. Eby: I'm happy to advise the member that this section has absolutely no relation to that. I also answered this question for his colleague last day. Regardless, I agree with the member that this is a serious matter, and I would be glad to undertake to provide the member with detailed information on the implementation of this interim recommendation so that he can have some confidence on the direction we're going on this.

Section 22 approved.

On section 23.

J. Yap: With respect to this section, on the right to refuse entry, can the minister share with this committee how the definition of undesirability, or the reference to undesirable, would be defined?

Hon. D. Eby: It's at the discretion of the regulator — constrained, obviously, by various human rights statutes and so on. But really, at the end of the day, I'm advised that it's anything that would put the integrity of gaming at risk, anybody who, as a result of their conduct, or perhaps a criminal record — their presence in a facility would put the integrity of gaming at risk.

J. Yap: I appreciate that response. I'm wondering if there will be any guidelines that may be provided so that there would be some consistency. After all, there could be 12 individuals given fairly significant responsibility to basically tell potential customers of casinos around the province — certainly in the Lower Mainland, in high-volume properties — that they're not welcome, that they have to leave. To assure there will be some level of consistency between the inspectors, the auditors, would there be some guidelines that would be set up?

Hon. D. Eby: Yes, I'm advised that those guidelines will be made public. I can also advise the member that they'll be aligned with police and B.C. Lottery Corporation requirements as well. This section is obviously related to the gaming policy and

enforcement branch so that all three entities that have different and shared responsibilities are working together.

[J. Rice in the chair.]

J. Yap: Continuing on this definition of right to refuse entry in this section, it refers to "at any time during a period specified in the notice."

[3:00 p.m.]

It implies that individuals may be banned from casino properties, high-volume casino properties, by the up to 12 inspector-auditors. My question — through you, Madam Chair; welcome to the chair — is: how will this period specified work?

Hon. D. Eby: I'm advised that there'll be specified time periods in the guidelines for members who have this power delegated to them. I just want to clarify one thing to the member. It's not just the 12 additional inspectors for the gaming policy and enforcement branch, but this is a statutory authority that allows the general manager to delegate authority to an individual generally. So it's not just those 12. It would be gaming policy and enforcement branch regulators and inspectors generally.

J. Yap: Thank you to the minister for that response. I heard the minister say that the time periods would be part of the guidelines.

Would the minister be able to share with us if there would be differences in how the time periods would be established? In other words, for certain individuals that may be well known to property management and to the inspectors on site, that they're undesirable, versus others that perhaps have been called out for a one-time misdemeanor or transgression…. In other words, individuals present with different backgrounds and circumstances. Will there be a different schedule of time frames where such individuals will be banned by these inspectors?

Hon. D. Eby: The B.C. Lottery Corporation has these policies in place right now, as the member will see through the amendments to the bill. They were the entity that used to engage in this activity of banning people from facilities. The issue is that the regulator needs to have that authority as well.

The concern is raised about a potential conflict of interest. It's been raised in the media, between B.C. Lottery Corporation's revenue generation goal and the power to ban. So to address that concern that's been raised, we give the regulator the ability to ban people as well. It will operate in a similar way. Some are time period. Some are policy to ensure that gaming policy and enforcement branch, B.C. Lottery Corporation and police are all working together and that any gaps are addressed by the overlap between the three agencies.

A. Weaver: Just a quick question.

In light of the fact that the term “undesirable” has not been defined in the act, and it’s going to be subject to some interpretation, a concern I have and my colleagues have is that perhaps…. We’re wondering to what extent there will be steps taken to ensure that racial profiling does not occur during the administrator’s application of this. What steps are in place to ensure that this is not occurring?

Hon. D. Eby: I’m advised this has to do with criminal activities, a person engaging in criminal activities or activities like money laundering, loansharking and other types of criminal activities within a gaming facility or associated with this individual. So it’s not “undesirable” broadly. It’s very confined to these types of undesirable activities as defined by law.

Sections 23 and 24 approved.

Title approved.

Hon. D. Eby: I move the committee rise and report the bill complete without amendment.

Motion approved.

d) *Third Reading*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 41st Parl, 3rd Sess, Issue No 192, (26 November 2019) at 6847 , online: <https://www.leg.bc.ca/documents-data/debate-transcripts/41st-parliament/3rd-session/20181126pm-Hansard-n192#bill57-3R>.

BILL 57 — ATTORNEY GENERAL STATUTES AMENDMENT ACT, 2018

Bill 57, Attorney General Statutes Amendment Act, 2018, reported complete without amendment, read a third time and passed

X. Bill 36: Gaming Control Amendment Act, 2019

a) *First Reading*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 41st Parl, 4th Sess, Issue No 270, (8 October 2019) at 9937 (Hon D Eby), online:

<https://www.leg.bc.ca/documents-data/debate-transcripts/41st-parliament/4th-session/20191008am-Hansard-n270#bill36-1R>.

Hon. D. Eby presented a message from Her Honour the Lieutenant-Governor: a bill intituled Gaming Control Amendment Act, 2019.

Hon. D. Eby: I move the bill be introduced and read a first time now.

I'm pleased to introduce the Gaming Control Amendment Act, 2019. This bill provides for the sharing of annual provincial gaming revenue with the B.C. First Nations Gaming Revenue Sharing Limited Partnership. It increases the maximum number of directors of the B.C. Lottery Corp. to 11, to facilitate the appointment of one position for a First Nations nominee.

Provincial gaming revenue will support self-government; strong, healthy communities; and services that make life better for families. The provincial government has already transferred nearly $200 million to the newly formed B.C. First Nations Gaming Revenue Sharing Limited Partnership, providing the first two years of shared gaming revenue as part of its long-term commitment to revenue-sharing announced in connection with Budget 2019.

Our government is putting in place a long-term revenue stream for First Nations as part of our commitment to reconciliation through supporting self-determination. This funding will make it possible for nations to provide important new economic, social and cultural opportunities that directly benefit the people who live in their communities.

Mr. Speaker: The question is first reading of the bill.

Motion approved.

Hon. D. Eby: I move that the bill be placed on the orders of the day for second reading at the next sitting of the House after today.

Bill 36, Gaming Control Amendment Act, 2019, introduced, read a first time and ordered to be placed on orders of the day for second reading at the next sitting of the House after today.

b) *Second Reading*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 41st Parl, 4th Sess, Issue No 272, (9 October 2019) at 10006 (Hon D Eby), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/41st-parliament/4th-session/20191009pm-Hansard-n272#bill36-2R>.

Hon. D. Eby: I move the bill be now read a second time.

The province has a strong commitment to advance reconciliation with Indigenous peoples. The proposed legislative amendments are a significant example of how the province is moving forward to meet this commitment.

Specifically, the proposed legislative amendments are focused on achieving two objectives. First, it will amend the Gaming Control Act to facilitate and support sharing a portion of B.C. Lottery Corp.'s net income with First Nations of B.C. for 23 years. Secondly, it will also increase B.C. Lottery Corp.'s board of directors by two positions.

Once a long-term agreement between the province and the B.C. First Nations Gaming Revenue Sharing Limited Partnership — which I'll refer to as "limited partnership" from now on — is in place, the legislation will establish a revenue-sharing entitlement to be paid to the limited partnership for distribution to eligible B.C. First Nations, who become shareholders in the limited partnership.

Currently this legislation requires the net income of B.C. Lottery Corp. to be paid into the consolidated revenue fund. Therefore, a statutory appropriation is proposed in this legislative amendment to facilitate the payment of the dedicated revenue from the consolidated revenue fund to the limited partnership.

The increase of the B.C. Lottery Corp.'s board from a maximum of nine to 11 positions will facilitate one position for the limited partnership's nominee.

The total annual amount of the statutory entitlement would be equal to 7 percent of the B.C. Lottery Corp.'s net income, as adjusted in accordance with the long-term agreement, estimated at $100 million per year. These amendments also add an additional element of certainty for First Nations in B.C. on the longevity and commitment of the government to long-term revenue-sharing from gaming with First Nations in B.C.

The province and the limited partnership recently concluded an interim agreement that provides two years of funding to the limited partnership for distribution to eligible First Nations in B.C., who become shareholders in the limited partnership. Once these legislative amendments are concluded, the parties will be in a position to conclude a long-term agreement with the limited partnership. Together, the interim agreement, the legislative amendment and the long-term agreement facilitate the province's commitment for sharing gaming revenues with First Nations in B.C. for a 25-year period.

[2:40 p.m.]

J. Yap: It's my pleasure to rise today to speak in second reading to Bill 36, Gaming Control Amendment Act, 2019. Let me say from the outset that as the official opposition, we welcome an approach and policies aimed at advancing reconciliation, creating opportunities and making life better for First Nations. We believe in opportunity for all of B.C., all British Columbians, and in shared prosperity.

Certainly, as we look at the situation with our relations with First Nations, despite significant effort and progress in the recent past, there remains a significant gap in income between Indigenous peoples in Canada and non-Indigenous peoples. The data shows that the total income of Indigenous people was, on average, 73 percent of that of non-Indigenous people's average income. That was in 2005, and it has increased to 75 percent in 2015. It's progress, but more needs to be done.

The population of Indigenous peoples as a percentage of British Columbia's population continues to grow in importance. Following ten years of rapid growth, Indigenous peoples make up about 5.9 percent of B.C.'s population. That was as of 2016, and the share of Indigenous peoples in B.C. is expected to continue to increase because of an increased fertility rate — larger families than non-Indigenous people. That is recognized.

We do understand that the commitment of the government to share this stream of revenue, gaming revenue, is something that has been discussed in the past. The commitment has been made. This is an issue that has been canvassed over many years and involved discussions with previous governments, and this government is choosing to take action at this time. However, revenue-sharing, we believe, should be fair and should be equitable, and it needs to be done properly.

While we agree with the need to get this done, we have some reservations, some concerns, in the way that this framework has been proposed to flow funds from government to First Nations communities. We as legislators need to come together to address the history of colonialism and renew our relationship with Indigenous people, and I know that this government is highly dedicated towards this end. I know that the Minister of Indigenous Relations and Reconciliation is deeply committed, as is his government. We applaud that, but we do have concerns with this bill.

For example, we have a question in regard to the flow of revenue and the way that this legislation is proposed, and I will get into a little bit of detailed discussion on the framework that's proposed, where a partnership will be set up, consisting of the First Nations that would choose to participate in this stream of revenue. It will be approximately 200 First Nations, who would be limited partners. They would be in this partnership with a group that is referred to commonly as the leadership council.

[2:45 p.m.]

This partnership of the leadership council and all the First Nations of our province would administer this flow of funds. This fund, as the Attorney General has said, would be 7 percent, which is indicated in the proposed legislation. In dollars, it would be about $100 million annually under a proposed 25-year agreement — $100 million per year over the next 25 years.

The proposed legislative framework puts in a new legal requirement for sharing of this revenue stream, gaming revenue, through an agreement. The Attorney General referred to an interim agreement that's already in place with First Nations, where the funds would flow, as we understand it, in advance each year based on a 7 percent agreed-upon percentage of net revenue from gaming. However, instead of flowing directly to the First Nations all around the province, the proposal under this legislation is to flow the funds to a new entity, a partnership. We have some questions about the need to do this.

We appreciate the briefing that the Attorney General had offered us, myself and the member for Vancouver-Langara, on this. We canvassed this question. While we understand that the rationale for this has to do with the accounting rules and the financial administration rules, we wonder why there has not been an effort to look at flowing the funds directly to First Nations. I'll discuss the concept of where the funds should be flowing.

We do understand that there have been some negotiations, some consultation, but we're not clear on the extent of that consultation among the First Nations who will participate in this program. We're not clear if all First Nations around British Columbia — all 200 — were involved in the consultations and the discussions and the analysis of what's being proposed. So I do believe that that is something that needs to be addressed.

Instead of putting money directly into essential services for First Nations in areas such as child care, housing and economic development, the proposal is for the funds to flow into this entity which would then take applications, we understand, from First Nations to receive funds for specific projects. This adds an extra step in the effort to help First Nations, which we all want. We question if this is the best that government can do to provide First Nations with economic benefits and long-lasting security.

Certainly, as we look at our record when we were in government, economic opportunities and participation were central as part of our efforts towards reconciliation with First Nations. When we were in government, we worked to improve the quality of life for Aboriginal people through new economic partnerships, resource development, revenue sharing, and closing gaps in health, education, skills training and employment. Through resource development on First Nations traditional territories, we put revenues directly into the communities to use.

One of our proudest achievements, as all of us would know, is the development of LNG. The LNG sector in B.C., which we're pleased that the government is supporting and is moving forward, has presented opportunities for our government and First Nations to work together. Throughout the province, 62 natural gas pipeline benefits agreements have been reached — 62, with 29 First Nations, for four proposed natural gas pipelines.

In addition, when we were in government, we had close to 500 economic and reconciliation agreements in place with First Nations, including strategic engagement agreements, reconciliation agreements, forestry and clean energy project revenue-sharing agreements. The concept of revenue-sharing is something that all of us are comfortable with and that we believe in. We also participated in 63 different treaties, involving 114 First Nations.

To list a few other achievements since 2001, when we were in government, we invested $4.4 billion to provide affordable housing for low-income individuals and families. We were also committed to improving First Nations through apprenticeships and skills training, as well as other education programs. These were some of the many things that were done directly to support the economic, social and cultural needs of Indigenous people. And as I said, we believe more needs to be done.

However, we cannot ignore that there are still systemic obstacles to reconciliation. It's critical that we invest in First Nations communities that need help the most. One of the criteria for applying for funds under this new revenue stream, the gaming revenue stream, is capacity-building. We applaud that.

In the time that I have had the privilege of being elected to this House, I've had a chance to visit First Nations communities around the province. All members probably have had the opportunity and can relate to the fact that there are some First Nations who really need help, who need support and assistance in increasing their capacity. There are others who may need assistance and capacity-building to a lesser extent.

There are First Nations that have embraced the mantle of economic development for a number of years and have built up their economic position through development within their lands, through engaging in trading activity, through participating in the resource sector. Some of these have become very successful, and we all, of course, are very proud of them and applaud them for their success. We want all First Nations to have the opportunity as we move forward.

With this proposed new stream of gaming revenue, one of the concerns that we would have is the need to ensure that the funding stream does flow to the First Nations that need help the most. We look forward to learning more about what the plan is for that to happen, because it's not clear from the legislation, as it's written, how that would happen. That's something that we believe is very important: to ensure — and I think all British Columbians want to ensure — that the flow of funds from this revenue stream would flow to the First Nations that need the support the most.

Another concern that we have is how this agreement would affect, or potentially affect, other grant programs that are in place and that are dependent on the gaming revenue net income. B.C. Lottery Corp., the gaming…. The stream of revenue provides

an important stream of income to government that helps to fund, as we all know, services that are important to all British Columbians.

[2:55 p.m.]

One specific program, the community gaming grant program, comes to mind. That's one that I know all members of the Legislature are very familiar with, communities are very familiar with and community groups. Many depend on this important program. We have questions about how this new revenue-sharing could potentially affect the program that communities all around the province depend on, the community gaming grant program. That's something we have concerns and questions about.

We also believe that there needs to be kept in mind a sense of how to ensure fairness in how the revenue stream is allocated. That's another question that we have. At the end of the day, we want to see true benefits accrue to First Nations.

We want to see, through the efforts of the province in working with First Nations to help First Nations as we move along the path of reconciliation and as First Nations determine for themselves, under the concept of self-determination, how they would develop…. We want to see those communities continue to participate as they wish to and progress — economically, culturally and in every important aspect of life. And we want to make sure, as we do this, that all British Columbians feel that we're doing this in the right way.

Mr. Speaker, as you know, the federal government has a very important role in the administration of Indigenous communities and is obliged, under our constitution and statutes, to provide funding to First Nations. So one of the questions that we have is: has there been consultation with the federal government in terms of this program not taking away from their responsibility to provide the statutory funding to First Nations throughout British Columbia? So that's another concern, a question that we have and would want to canvass in second reading debate.

To summarize, we understand the intent of this proposed legislation to share revenue, and we believe that while the intent is positive and we want to see this happen, we need to ensure — we have a responsibility as legislators to ensure — that it's done in the right way. We have a number of questions, as an official opposition, on the specifics in this piece of legislation. I know that colleagues will raise specific aspects of what our concerns are, a few of which I have mentioned in my comments.

With that, I'll take my place, Mr. Speaker, and thank you for the opportunity to engage in today's debate.

Hon. S. Fraser: It's certainly with pride that I stand here today in this House to support this piece of legislation which makes good on a promise that we made to First

Nations. It was almost a year ago. This summer we shared nearly $200 million — it was about $198 million — of provincial gaming revenue with Indigenous communities. That represents the first two years' worth of shared revenues from a gaming stream.

The money started flowing out to First Nations communities just last week, at the beginning of the month, and the benefits of this predictable and sustainable revenue stream are evident already.

The Nadleh Whut'en is a First Nation west of Prince George. The long-term predictable revenue stream has allowed that nation to start home-building — home-building for the first time in 30 years — to address overcrowding and a lack of housing. Our office got an email from Chief Larry Nooski just a few days ago. This revenue is starting to make a difference on the ground, in communities.

[3:00 p.m.]

The amendment before us makes it possible to extend our commitment to those communities for a full 25 years. As I said, we've already transferred the first two years' worth over, so the next 23 years on. It's the first time there's been a revenue-sharing agreement between the province of British Columbia and First Nations that provides long-term, stable funding to those nations.

It's nearly $3 billion that will be available to First Nations governments over that time, ensuring they have a steady, predictable source of income. Income like every government…. First Nations or any government, First Nations or non, need stable, predictable sources of revenue to fund their priorities. I would suggest that the Indian Act is not providing for that very well — critical things for every government, like infrastructure, like services that build healthy communities, and the staff to get it done. The member for Richmond-Steveston spoke about capacity — absolutely. Critical things for any government to be able to accomplish.

This revenue will mean First Nations can plan for the long term and invest in the services they decide that their communities need to thrive and prosper. In that way, the revenue stream is about truly, tangibly supporting self-determination, and that is what is at the heart of reconciliation. First Nations know best the priorities of their communities, and now they have the resources to invest in those priorities — priorities like social services to support families and Elders, education, infrastructure, cultural revitalization and self-government capacity.

We'll see new community projects. We're already seeing new community projects and programs and significant economic development that benefits the people in First Nations communities and beyond for the whole regions of this province. It will bring more prosperity to every part of this province. This legislative amendment is an important step on our shared road to true and lasting reconciliation. It's just one step.

I'd like to reflect a bit on the history of how we got here. I've been in this place since 2005, that election. This is my 15th year. I was appointed by the leader at the time, who is now the Deputy Premier and the Finance Minister. She appointed me as the critic for…. At that point, it was the Ministry of Aboriginal Relations and Reconciliation. Now it's the Ministry of Indigenous Relations and Reconciliation, and I'm honoured to be the minister.

As critic, one of my earliest meetings that I recall was with the First Nations Gaming Commission. They had been trying for many, many, many years for the government of the day to come to the table and discuss sharing of revenues.

I remember Grand Chief Joe Hall was one of the first people I met. He was representing the First Nations Gaming Commission, a body that was created through the leadership council. That's the summit, the Union of B.C. Indian Chiefs and the Assembly of First Nations, collectively. He had beseeched me, as the critic, that government needed to move forward with revenue-sharing to provide stable, long-term revenue through gaming like other provinces were already doing. He explained to me that the government would not come to the table. The Liberal government at the time would not even discuss the issue. It was a non-starter.

I know that the imperativeness of the revenue-sharing was captured in 2007. "First Nations have been asking for gaming revenue-sharing to be negotiated by the province for years," as I mentioned. In 2007, First Nations leaders presented the previous government with the B.C. First Nations investment plan. The plan recommended allocating, at that point, 3 percent of B.C.'s gross gambling revenue directly towards economic and community development initiatives in Indigenous communities.

At the time, First Nations leaders described the plan as "the single most important action the province could take to ease First Nations poverty and to begin to close the economic and social gap of all First Nations."

[3:05 p.m.]

I'm not questioning the sincerity of the previous speaker, the member for Richmond-Steveston. I know that he was speaking from the heart. But when he was speaking of his government previously…. These requests were summarily dismissed. They would not even discuss the issue. The idea that long-term, stable funding could be transferred to First Nations to make what was acknowledged as the single most important action that government could take was dismissed by the previous government. They wouldn't consider it.

Some of the actions the previous members spoke of, the other government, and the deals that they had made and the agreements they had made with First Nations,

many of these were basically transactional in nature. This is not transactional. This is a game-changer on the ground for First Nations.

Just to put it in context, the revenue-sharing agreement aligns British Columbia with Alberta, Saskatchewan, Manitoba, Ontario, Nova Scotia. This was already the way of things in other provinces and was denied by the previous government. So I am pleased to hear that it looks like the opposition will be supporting this.

I want to make it clear that some of the concerns that were raised just by the previous speaker I believe are unfounded. I want to make it clear to anyone watching that there is no impact on existing gaming funding that already goes out under other programs that benefit local communities and NGOs — non-governmental organizations — charities, those sorts of things. This will not have impact there, just to be clear, because those rumours get out, and it can do damage to what is a very important program.

I also want to say that our ministry staff…. We had technical people, First Nations Leadership Council and the First Nations Gaming Commission, and they worked hand in hand together to build this. They looked at other models from other provinces to determine the best way to make sure that the funds are going to be delivered fairly to First Nations, that there was an accountability process.

Importantly — an issue that was raised by the previous speaker of some concern — the limited partnership is a First Nations entity. This will not be run by government. This is being set up with First Nations, by First Nations. That's important in self-determination, as the member cited also. So his concerns about whether there was any impact on federal government funding…. To be clear, again, this has already happened in a half-dozen other provinces for many, many years. This is not a new thing for the federal government.

I'm sure, from my conversations with my federal counterparts, they were quite surprised that B.C. was denying the access to such a stream of stable, long-term funding that can be used for long-term planning for nations. So there is no issue there, and there is no risk of that affecting anything with the existing funding, I think, coming from the federal government.

The more technical questions, I'm sure, will be answered by the Attorney, which is appropriate in the way of these things as we do a bill. We're on second reading. We will go to committee stage, and those technical issues and concerns raised by the member for Richmond-Steveston will all be dealt with there, I'm sure.

There were concerns about whether or not this would be timely because of the use of a limited partnership to distribute the funds. I find it a bit ironic. I mean, this is developed in partnership with First Nations. So this is the best method for distribution of these funds.

There is a specific formula that speaks to how the funding will be distributed. Fifty percent is base-funding. It's actually equal for each of the 204 now — with Binche, I believe — First Nations Indian Act bands in the province. The 50 percent will be split equally. Forty percent is based on population, which, I think, speaks to fairness and equitability.

[3:10 p.m.]

Then 10 percent is in recognition of geographic challenges, like for remote communities. I think a lot of this was based on the model from Ontario. It seemed to cover the needs of the communities in a very…. It was very reflective of that.

I'm quite pleased that we've, I think, come to a model that will provide the most benefit on the ground, where it is needed the most in First Nations communities, especially taking into account the challenges of remote communities. You know, the costs are higher. There are many challenges that we don't even recognize if you're living in more of an urban area. So I'm glad that those challenges are reflected in the formula that has been laid out here.

We have to take reconciliation seriously. This is a strong step in the right direction. As, again, I can't understate how important…. For decades now, the First Nations of this province have been calling for government to do just this, and they have called this the single most important action that provincial government could take to ease First Nations poverty and begin to close the economic and social gap for all First Nations.

I am so pleased and proud to be standing here in a government that is taking those requests seriously. Closing the gap — yes, indeed.

E. Ross: It's my pleasure to speak on behalf of my constituents of Skeena in terms of Bill 36, the Gaming Control Amendment Act. Before I get into what I intended to say here, I just want to make some corrections to the previous speaker.

Where to start? This is contractual. There was a statement saying that this is not contractual. It is contractual. You're asking First Nations to join a limited partnership. That's a contract. Underneath that, you will then ask them to be eligible to fill out application forms to apply for their own money. That's contractual. There will also be an eligibility requirement that will be implemented within, I assume, the partnership agreement, the limited partnership agreement. Then that will be applied to the application. Those are contractual agreements.

Interjections.

E. Ross: Well, I heard contractual. I heard contractual.

Another thing I wanted to address is another thing I heard: "We're looking forward to closing the economic gap." Where have you been for the last 13 years? That's what First Nations have been doing for the last 13 years, in terms of engaging in forest and range agreements, revenue-sharing agreements for mining, the 26 agreements that were signed with LNG, all the agreements that were signed for the Kinder Morgan Trans Mountain pipeline and on and on and on.

First Nations have been driving that economic gap, in terms of closing it, and they've made tremendous progress. This is not a new idea. You come to our communities along the pipeline route, and you'll see all of the advancements and progress that were made in terms of addressing the economic gap. These are reports that came out here. This is what drove First Nations to engage with all of these major projects, because there was nothing else at their reserve level.

I'm sure that all of the people over there that espouse to have First Nations ancestry know this. Why aren't you speaking to it? You come to our communities along the LNG pipeline route. The unemployment level is not 60, 80 percent anymore. If you'd come to our community during the modernization of the Rio Tinto Alcan smelter, there was no unemployment. That's the economic gap. That's the one you're talking about.

To think that you guys just came up with this miraculous idea, and you guys are going to start it just from day one…. Day one was 13 years ago. What do you think we've been doing? It's an insult to all of those First Nation leaders that have been working on this for the last 15 years and made tremendous progress, only to hear that you say: "We're going to begin to close the economic gap."

You did not begin it. You did not begin it.

Interjections.

E. Ross: That's what he said. Is Hansard around? Can you repeat what the member said?

Interjections.

Deputy Speaker: Members.

[3:15 p.m.]

E. Ross: "We're so proud to begin to close the economic gap." Wow. I'm just repeating what I heard. I mean, maybe my notes are inaccurate. Maybe I misspelled some things wrong there, but I'm pretty sure that I heard: "We're going to begin to close the economic gap" and "This is not contractual."

If you're going to say stuff like this, at least back it up. To see First Nations people on the other side, who claim to have First Nations ancestry, laughing? Where's that member from? Where are you from? What riding are you from?

Deputy Speaker: Member, let's talk about the bill.

E. Ross: I am talking about Bill C-36.

Deputy Speaker: Yes, let's talk about Bill 36.

Interjections.

Deputy Speaker: Members.

Interjection.

E. Ross: Thank you. Very condescending of you, but thank you.

I appreciate the grace given to me by the member for Saanich North and the Islands. Thank you, I appreciate it.

Anyway, another thing I wanted to correct here or at least clarify. We were talking about this…. In terms of Bill C-36, it's a great concept. Bill C-36, the Gaming Control Amendment Act….

Deputy Speaker: No, Bill 36, Member.

E. Ross: Didn't I say 36?

Deputy Speaker: No, not C-36.

E. Ross: Oh sorry. Bill 36.

In terms of this, it's not the first time a revenue-sharing agreement has been brought to the First Nations of B.C. from the provincial government. But there was a comment made earlier that said that this is in partnership with 203 bands. I find this remarkable. This is an incredible achievement when you are talking about 203 bands in B.C., and my only question around that is: how did you achieve this? How did you consult with 203 bands?

It took us almost six years to consult from band to band on an LNG agreement that provided revenues to the First Nations, along with contracts and employment. So in partnership with 203 bands? I'm going to be very curious, as we go into estimates, to find out what the consultation process was.

Interjection.

E. Ross: Committee stage, sorry. I'll be curious about this, to see the record. To see the record and the response from 203 bands in B.C. — it's going to be an extensive report. I'd be very curious to see what that entails in terms of that report.

There was also a comment made that this would not impact other funding coming from the gaming. That we'll wait to see. We'll probably have to wait to see in terms of community by community, region by region. If the rural dividend fund is any example of what that means, then we've got to be on our toes and keep an eye on the government decisions here.

Those are just basically the comments I heard, and I had to correct those comments or actually ask for clarification.

Anywho, in terms of Bill C-36 itself, the control amendment act…. I've got to say from the outset, in terms of gambling, this is a really tough topic to talk about where I come from, because gambling, from previous councils, was never approved by previous councils. It was never approved on behalf of certain Elders in my community. My council was approached many, many times to create a casino or bingo hall in our territory, and we were shut down. There was fundamental opposition to the idea of gambling.

Coming from a region 20 years ago that had 60 to 80 percent unemployment, and knowing all the social ills, I could understand why the leaders of my community didn't like the idea of gambling, period, even though bingo, as we knew, all across northwest B.C., was providing good amounts of revenue for local programs in their communities.

To my Elders back home, I'm not endorsing gambling. I'm not saying gambling is a good idea or anything like that. I'm just talking about Bill C-36 in terms of what is being placed in the Legislature today.

[3:20 p.m.]

With that being said, just for the millions of people out there watching, commercial gambling, not including horse racing, generated $2.9 billion in 2014-2015. Now, in B.C., that includes revenues from casino tables; games like poker and bingo; slot machines; lottery tickets; on-line PlayNow.com, B.C.'s only legal on-line gambling site; and licensed gambling events such as 50-50 draws.

In addition, horse racing is big in B.C., and that can be conducted in person at racetracks in B.C. or on screen in teletheatres in communities around our province.

The gambling proceeds and gambling itself actually reach into different parts of B.C., all corners, even remote communities like my own, in my riding of Skeena. So we

all know it's there. We all know it's regulated. It provides tremendous revenue. And the revenues, we know already, provide tremendous benefit, because that goes back to the organizations that use it in their own communities on an application-driven process.

What we're talking about here is Bill C-36.

Deputy Speaker: Bill 36, Member.

Interjection.

E. Ross: How can you purport to have First Nations ancestry and knowledge of the culture when you know respect is one of the first things that First Nations actually ask for when somebody else is speaking? You wouldn't be allowed in the feast hall with that kind of behaviour, to the member for Saanich North and the Islands.

Interjection.

E. Ross: What does that mean? Okay.

Bill 36 proposes to provide First Nations with 7 percent of B.C. Lottery Corp.'s net income for the next 23 years. It would build on a two-year agreement reached last August that transferred $194 million, give or take a few million, to the newly formed B.C. First Nations Gaming Revenue Sharing Limited Partnership.

According to a provincial news release, dated August 12, 2019, the money will be transferred to a newly formed B.C. First Nations Gaming Revenue Sharing Limited Partnership. The news release goes on to say: "Once First Nations join the limited partnership, they will receive the first year of their share of provincial gaming revenue."

I haven't actually seen the final agreement yet, but I was under the understanding that the revenues would go into a limited partnership, and then First Nations would have to apply for their allotment of the revenues. Anyway, we can get into that when we get into the details of the final agreement itself.

According to Michael Bonshor and Cody Hall, co-chairs of the B.C. First Nations Gaming Revenue Sharing Limited Partnership: "We encourage eligible First Nations to join the limited partnership and look forward to working with each community to begin receiving their annual distributive shares." That's a red flag. In one sentence, they're saying they're going to receive provincial gaming revenue, but on the other side, in the next sentence, they say they have to join the limited partnership before they can start receiving their annual distributive shares.

Interjection.

E. Ross: It will be application-driven.

Interjection.

E. Ross: It will be application-driven, though, based on the projects and based on the band council.

Interjection.

Deputy Speaker: Members, let's not have a dialogue. It's second reading. The member has the floor.

Please continue.

[3:25 p.m.]

E. Ross: Well, it does raise a red flag. If it is application-driven, and you're actually applying to an entity apart from a government…. It doesn't matter if it's government or not. But if you're applying to it and you're making comparisons to the Indian Act and how the Indian Act didn't provide for First Nations over the last 50 or 100 years….

First Nations — I don't know if you're aware of it or not — do not like applying for money. In this new era of consultation and accommodation, First Nations are more interested in generating their own revenue. They're more apt to be, basically, going to a government-to-government relationship and actually signing government-to-government funding agreements. So the money goes directly to them.

Interjection.

E. Ross: What's wrong with that?

Interjections.

Deputy Speaker: Members.

E. Ross: If it's not application-driven, I look forward to clarifying that in the final agreement — and to be eligible. This is what I look forward to in the final agreement itself — to be eligible. What is the criteria going to be to be eligible? I know you have to join the First Nations Limited Partnership. I know that. What are going to be the criteria around that?

In saying that, there are going to be criteria in terms of what is accepted in terms of your share.

Interjection.

Deputy Speaker: Members.

Carry on.

E. Ross: Thank you, Mr. Chair.

This is a case…. If there are, basically, no strings attached and the government truly wants to help First Nations in terms of their social issues and close the economic gap, why make them join the limited partnership?

I'm going to assume, then, if you don't join the limited partnership, then you are not eligible for any allotment of money or revenues.

Interjections.

E. Ross: I'm hearing crickets, so I think I must be right. Am I right?

Interjections.

E. Ross: Okay. In other words…. Well, there's so much chatter on that side and so many questions, I just respond to the questions and the heckling.

Interjection.

E. Ross: I will. Thank you.

To me, this is not a done deal. We have the announcements, but it's not a final agreement yet. It won't be final in terms of complete participation until we get 203 bands signed on to the limited partnership. That's when we'll see success, because that's what the government announced.

It all goes back to determining success. If there are some bands that do not want to join a limited partnership or do not want to join an application-driven process, then you can't claim success in terms of a revenue-sharing agreement for those ineligible First Nations. In terms of that, the First Nations that are ineligible will be for two reasons. One is because they don't agree with the structure or the format, and the other one is going to be for lack of capacity.

Now, I hear those words a lot, "capacity development." Developing capacity. Yet I've never really seen anybody actually explain what that means on an individual level.

What does it mean? I mean, I can honestly say in 2003, I had no capacity. I was elected to council, and I thought that I was going to get on to council, and I was going to divert all the money that council had to my basketball programs.

Man, was I ignorant, naive and out of touch, because my band had no money. We were so broke we were in a deficit. We owed $3 million. If you don't know what that means, under the Indian Act, that means the government can come in and put you into remedial management with the danger of then coming in, kicking you out of office all together and just keeping your health manager, as well as your social development manager. The rest of them — they send you home. That's where we were in 2003.

In terms of capacity development, I had no idea what I was doing — not a clue — and there's no orientation program. There's no brochure to tell you what your job is or what a funding agreement is. Nobody was there to tell me what remedial management meant.

All I knew was my band had no money, and all they were doing was fighting for survival to keep programs going. That's all they were doing. There was no time to talk about jobs, employment, contracts and engagement with major projects. There was no time.

[3:30 p.m.]

We spent the better part of six months just trying to get Canada to stop coming in and shutting us down and shutting down all our programs.

If you don't know what that means, they bring in a third-party contractor, and they pay your bills for you, based on your funding agreement that comes from Canada. There's a formula that actually pays off, in priority, your biggest debt first and then goes down to your lowest debt. It can take, on average, seven years for a First Nation to get out of it — seven years. I had no capacity to understand what these people were talking about. That's capacity.

I was fortunate. I had a chief councillor who was very knowledgable, who went to university. He worked in the RCMP for a couple of years, worked for CN security. I had another councillor who had a business diploma. I was very lucky. These guys understood funding agreements. They understood business principles. They carried me and, I might say, the rest of my council through that six months. They convinced Canada not to shut us down. But it was painful. We had to lay off a number of people. We had to cut programs. We had to do a number of things.

[J. Isaacs in the chair.]

It's actually good that this is on the record. The hard work that that council did started back in 2001, and I joined in 2003. My band is now reaping the benefits. A few years ago, we were actually awarded the first-ever ten-year block funding agreement under Canada. We came from remedial management to block funding to the first-ever ten-year block funding agreement in Canada. That is capacity.

For the most part, you have to sit at the table, and you've got to understand that. You've got to read this stuff. It's above our pay grade. Apart from the councillor who had the degree in business, as well as our chief councillor, I was probably the only one that had a grade 12 diploma, which I got back in 1984. It wasn't worth the paper it was written on. I didn't understand numbers. I carried around an electronic dictionary for two years. That is capacity.

So when you're asking some of these bands here that don't have that capacity to understand these complex agreements and understand these complex structures, you're asking quite a bit. There are a lot of bands that understand this. There are a lot of bands that are highly successful. They're operating at a point where they don't need government. They don't want government.

There is a band down in the Okanagan that says that within seven years, they will be able to say no to Ottawa funding. That is an incredible achievement. That's capacity. They based it on real estate, and then they branched out their business initiatives. That is capacity. These are the people we should be aspiring to be. They're going to be independent within seven years. That's their game plan. Fortunately, they've got location on their side. They have capacity.

My band…. I was lucky. We had location. We didn't have any projects to come around, but we did have a couple of people that had strong visions, that took a lot of abuse, to change a direction. My name comes up a lot when it comes to LNG development, in terms of being instrumental. I was one small piece in a big piece of machinery that was clicking along whether I was there or not. It was councils from 2001 to today that actually put us there. I was lucky and grateful enough to be part of it.

Why did we achieve that? Capacity. Some of it came from an education, from college and university. Some of it came from life experience. Some of it came from the corporate world. But for us, it all pulled together. That is why my band is probably the next on the block to say: "We don't want Ottawa funding either."

When it comes to Bill 36, and we're talking about capacity, and we're talking about eligibility, we're talking about 203 bands in B.C. There are a number of bands that aren't as fortunate as some of the bands in the Okanagan or on the Lower Mainland that have been able to translate their assets into wealth for their people, or lucky enough to go through what my band went through. So I'll be interested to see the formula, in terms of the revenue-sharing agreement, to see how the money will be allotted.

[3:35 p.m.]

Now, I know there is going to be a question about regional allocations as well as remoteness, maybe population, but I can tell you right now that there are needy bands in B.C. and there are not-so-needy bands. The needy bands, regardless, are going to

have a really tough time coming to terms with this type of agreement if they're looking to use this money as seed money for a business initiative. They're going to have a tough time.

I'm only speaking from experience, because we tried this when we had no money, when we owed $3 million. We tried this. We came up with an elaborate business plan for communications, but we didn't have our down payment for financing. We had no credit rating. We had no assets as collateral. So our business plans, we found out right away, couldn't get financed.

This was before the days when these funding agreements came up where they would help certain bands in certain situations, but it was always underwritten by somebody else. It wasn't underwritten on the assets of the band. By the way, we had no assets. This is a catch-22 for these bands that are in this position.

We're talking about the application process for eligible bands when they're going to use this pot of money for business initiatives. I would love to see the criteria and whether it's going to be flexible enough to realize that most bands don't have assets, because reserves aren't assets. I know land is an asset to everybody else in B.C. Land is not an asset under the Indian Act. It's not an asset unless the band itself goes into a certain arrangement with Canada, which many bands are afraid to do. They're too suspicious of government.

In that respect, there are no other assets for a band that has never been exposed to either a major project or to some significant business interest on their lands. So there are no assets. Most of the assets they have are so outdated that they're not worth anything, even if it was possible to put it on a business plan as collateral. So I'm very curious about the criteria of the eligibility in terms of Bill 36.

For those people that know First Nations communities, when I'm talking about assets, you'll know what I mean. My band council office was actually an old residential school, and because of certain circumstances, I was asked to help manage our organization in partnership with my administration. During that time, a building inspector came in, and he gave me the news of the assessment that was done on the council building that we were in at that moment with all our staff — this old, beaten-down residential school, probably 70 years old.

He gave me the news, because he wanted to leave right away. I said: "Okay, just summarize it for me. What's the verdict?" "Oh, you're condemned." "Why?" "It's because your building code is out of date. You've got so much asbestos here. You've got mould all over the place. So we're condemning you."

I was so shocked. What am I going to do? I'm in charge of this organization. I've got to do something. So what am I supposed to do, then? He said: "Don't worry about it. We condemned you seven times before already." That's not an asset. Same thing for

our fire hall. I can give you these stories. These are stories that are all across Canada and in B.C.

I applaud the virtues behind Bill 36 in terms of closing the economic gap. But understand that there are capacity issues, and really, if you want to make a big impact, acknowledge the capacity issues of the most needy bands. Understand their situation, that they might not be able to reach every single criteria point, whatever that may be, when it comes their turn to apply for this funding.

[3:40 p.m.]

I will agree with this: closing the economic gap. There was a beginning. It was about 15 years ago. I'm pretty sure that this is going to help that, but it's going to take time to realize that progress, that success. It's going to take time.

I mean, you think about 203 bands in B.C. — not talking about your formula or anything — and you average it out based on what we know already. Maybe that's $200,000 to $400,000 per band in B.C. That's not a lot of money per band.

I know it's annual. I do understand that if a band doesn't sign on right away, or if they do sign on and they don't apply for that funding, then that money actually goes into a certain pot waiting for them, which is good. But for most of the projects I put on the table in the last 15 years for my council, $300,000 was a drop in a bucket. It could be spent in a week.

I mean, you've got to do engineering plans. You've got to do consultant plans. You've got to do lawyer plans. You've got to do all this lobbying with the federal government and corporations. You've got to draw up contracts. It's not a lot of money.

If it works, it'll most likely work directly for the bands that understand application processes, that understand funding agreements, that can get to work right away and that can access financing — say, a mortgage over 20 years. They'll have tremendous progress.

But for some of the other bands that don't have that? Well, let's face it, some of the First Nations bands in B.C. don't even have communities. They don't even have band offices. How do we access them?

First thing we do is: don't make this process so onerous and so complicated, so scary, that they figure that they've got to go out to hire a lawyer. Make it simple for them. In that respect, if you want to have that conversation, I do question again: why not just put the money directly toward the First Nation themselves?

I agree with this. I support it. I just don't understand the need for a middleman if you've already got agreement and you've done your consultation with 203 bands in B.C. Why that layer?

Interjections.

E. Ross: Yeah, why not? They're still a legal entity. It makes for less bureaucracy, and you've got a direct relationship with a band that I'm assuming wants to build something significant for their membership and for their community.

It's the criteria that I question. It's the eligibility I question. It's the legalities of limited partnerships I question — general partnerships. I worked on that stuff for 15 years, trying to understand limited partnerships and general partnerships. I still don't understand it.

I had to do it in respect of major projects totalling — what? — $55 billion. I had to set up all these entities underneath it to take advantage of some of the contracts. On top of that, I had to understand all of the insurance and all of the liability issues and responsibility issues.

Like I say, I was lucky. I had some really smart councillors that were leading us at the time. I had a very smart chief councillor. Today, I still hope that we put in enough protections to actually achieve everything that we set out to achieve.

Back then, when we had no money, I would have got up, and I would have applauded this initiative. If the money came directly from the Crown to us, with little or no strings attached, I would have applauded it.

In fact, when we were talking about this being the first time for a revenue-sharing agreement, it's not the first time that the government has come up with a revenue-sharing agreement. It's not the first time. In 2006, we signed on to the first original forest and range agreement with the B.C. government.

[3:45 p.m.]

Now, for a band that had never seen revenue-sharing before, we were doing cartwheels. We couldn't believe it. We spent the better part of two years negotiating under an entity. At that point it was called Turning Point. We negotiated for two years.

The difference there was that we knew the government was in the room, as a group. They talked to us. Then we all agreed that we should take back our agreements that were agreed to in principle at this group to our communities and tailor-make it to the needs of our specific communities. So we knew that consultation was there. We knew, in some form, this was going to be the accommodation for all the forestry activity happening in our territories.

The day the first cheque arrived we almost cried in our band council boardroom. It was incredible. We had never seen money like that before, with no strings attached. On top of that, we had no idea what to do with the volume of wood that was actually part of that agreement. We weren't loggers. Had no equipment. None of us had even logged in the last 20 years.

I was a hand logger. Anybody know what hand logging is? You get in the tugboat, and because I'm bottom of the totem pole, I'd have to carry all the chokers and the tow line up into the bush, wrap it around a log, then run out of the way, and they'd drag the log into the water. That was my job.

Because of my experience, I was made the forestry expert. I was out of my league. I had no clue what I was doing. That goes back to capacity. That's scary. That is really scary. Not having capacity to understand what's going on, and then finding out: "Well, you're the most knowledgable." "Good grief. I don't even know what I'm talking about." "Well, we expect you to kind of explain to us the Forestry Act." "No, not a chance." "Well, can you at least understand the forestry regulations?" "No, not a chance." That is capacity.

This is a reality of what you're talking about when you're talking about some First Nations. Now, I know a lot of First Nations can sit at the table, and they can negotiate. They understand exactly what you're talking about. But for the most part, they probably have capacity hired to protect them. They have their advisers, consultants, their lawyers. They have their staff. They're well versed in it, so it's not all up to the councillor. But there are many councils that aren't equipped like that.

Mine was one of them, back in 2003. In fact, what my band did back in 2003 was hire an ex–Indian Affairs staffer to be our lobbyist. It was probably the right thing to do back then because we didn't know anything else about the outside world and what was happening. I believed that the Indian Act was the end-all. It took two years for me to figure out that the Indian Act is actually an artificial boundary. It's a waste of time, and the more you debate it and discuss it and fight it, the more your people suffer.

In fact, back then there was a sentiment for new councillors — and I agree with this today, as I did back then — in terms of capacity. It would take you two years to understand how to do your job as a councillor before you could delve into the bigger issues of politics or major projects or environmental assessments. I agree with that today.

For a band like mine, who's advanced so far in terms of the LNG industry, in terms of land transfers from the previous B.C. government…. I think it's going to take them three years to get caught up. Never mind the Indian Act. Who cares about the Indian Act? It's irrelevant for us. But I think it's going to take three years for them to understand their duties as a councillor and understand all these major project

development agreements we signed and all the agreements that we signed on land transfers. It's quite significant.

Not only has our band done extensively well in terms of land transfers with B.C., we're actually probably one of the only First Nations in B.C. or Canada that owns a water lot. Who supported us in fighting to get those water lots? It was the previous B.C. government. The water lot, in terms of commercial and industrial value, is worth millions. We now have assets. We can go get financing now, and it's all built on capacity.

The world changes when you embrace rights and title and you embrace economic development, and the B.C. government is sitting there with open arms and willing to talk, and the corporations are there, sitting there, willing to talk, willing to negotiate and find that common ground. The world changes. Now not only is money not a problem, money comes to your doorstep.

[3:50 p.m.]

My band is not hurting for money. They haven't applied for any provincial funding in the last five years. They just don't need it. They bought an apartment complex a couple of months ago to address the housing need that's going to happen in Kitimat. They're actually going to build their own apartment complex. By the way, the provincial government contributed 50 percent to the apartment complex on reserve. We didn't need the money, but my band took it.

The list goes on. China Investment Corp., the biggest investment corporation in the in the world, came to our council table, and they were asking us: "How do we get in on the projects? How do we lend you money so that we can engage with you guys on the major projects?" It was hard to explain to them that it's not even our project: "It's not even ours. Plus, we don't want your money. We don't need your money."

Success begets success; that's basically what it is. That's what I'm hoping Bill 36 is actually aspiring to. This in itself is not going to close the economic gap, but if this Bill 36 actually provides that seed funding so that other bands can experience what we've experienced, it's going to be a long journey, but it's worth it.

That first forest and revenue agreement, which we signed with the B.C. government almost 11 years ago, put us on a different road, with the possibilities this opened up. If you come to my community, no one is going to complain to you about the Indian Act. No one is going to tear your ear off about that. They're going to tell you about the latest job they've got, at 30 to 44 bucks an hour, no high school graduation. They're going to talk to you about the training that they're being sent away for in Alberta or New York. They're excited. There's a new era there.

That beginning…. Closing that economic gap started back 15 years ago. To be more precise, I think we finally opened our eyes to what was possible when, back in 2006, Kitimat LNG started to become a reality. LNG Canada actually beat them to the punch, but we were engaging with the revenues coming from Kitimat LNG for the better part of eight years.

It's incredible what we can talk about if you want to talk about closing the economic gap and if that's what you're proposing to do. The only caveat I have is: don't make it so bureaucratic, red-tape- and application-driven that First Nations actually turn their backs on it. If you did do the consultation with 203 bands, if you did do that consultation, you probably know this already. You've probably already heard it: "Why don't you just give us the money directly?" I know that's what I would have said. I could have made use of that money back in 2004 — incredible use.

When we're talking about that, we're talking about capacity. We're talking about the ability for First Nations to engage in a process like this. There are a lot of First Nations that are stuck within the Indian Act and that can't see a way out. All they're doing is managing funding agreements. That's all they're doing. They've got no time to think about a job for their 80 percent unemployment. They've got no time to think about signing an IBA worth $500,000 a year to the band. They've got no time for that. They're just trying to stay solvent. They're just trying to stay within that 8 percent negative rule that comes with Indian Act funding. That's all they're trying to do.

In a band like mine, I can tell you…. This is my own experience. Asking for money, applying for money, lobbying for money — I don't know what term you want to use — is so degrading. It's so humiliating, especially when you think of the concept that most of those revenues probably came from our territory in the first place. Then you've got to go ask for it. You've got to apply for it.

[3:55 p.m.]

One of the things that turned my thinking around in terms of fighting the Indian Act was a problem that every First Nation faces in B.C.: housing. This is a federal jurisdiction on reserve. We all know that. I think it was the previous government that actually broke that barrier, that went into the Lax Kw'alaams reserve and started proposing building housing on the Lax Kw'alaams reserve. That was actually pretty brave. That was very courageous, and I see this agreement building on that.

Previous to this — I'll give you an example of how degrading and humiliating this is — I was chosen to go to Ottawa on a lobbying trip, to lobby Ottawa, but I didn't know what we were lobbying for until I got there. When we got there, we were lobbying for more money for housing, and we were told: "Sorry. You're on the freeze list." For those First Nations in here, you'll know what a freeze list is. If you're in non-compliance with the funding agreement — Ottawa puts you on a funding agreement — you're not eligible

for any more funding. In fact, they penalize you every time that you don't take measures to address the compliance factor.

We went home and reported back to our council: "Sorry. There's no money. They told us we're on the freeze list." At that point, I told my council: "I'm never going to do that again. I'm never going to go beg for money. I've got to find a different way."

Well, after a month, I was in Vancouver. There were a bunch of my councillors down there, they were on their way to the Indian Affairs office in Vancouver, and they asked me if I could go. "Sure, I'll go." I go in there, and we sit down with the housing officer for INAC, and we say: "Hey, we're here for housing. We spent the better part of the month getting ourselves into compliance, and now we're here to talk about the future in terms of building houses on reserve. So where do we start?" And the housing officer told us: "Sorry. You went back on the freeze list this morning."

That is a common experience. You can't imagine the words that I used outside that office. I didn't even wait for the meeting to end. I just got up and left, and I swore I would never do that again — never. Just to think about filling out an application form when I knew there was so much possible out there, it was just…. It didn't appeal to me. Let's put it that way.

So we could have used this funding agreement, this Bill 36, back in 2004. I understand that if it's annual, we probably could have built anywhere from…. Based on the average funding we're talking about here, maybe we could have built two or three houses a year. But that's just one component of what First Nations are facing, in terms of the economic gap that I hear spoken to in this House a number of times. That's only one component.

We're not talking about the aging infrastructure, like the roads that may or may not be paved. We're not talking about the water system that was built 60 years ago. We're not talking about the Indian Affairs houses that aren't up to code but actually don't even have the same kinds of standards the rest of Canadians take for granted. And on and on and on.

It's a different world we're living in. There are so many groups, levels of government that are trying to address, in a real way, the economic gap, including the federal government. But to me, I can't really conclude whether or not the economic gap is being addressed unless I see Aboriginal persons themselves not even worrying about the economic gap. That's my measurement — especially for a young person.

If a young person today is making 30 bucks an hour and they're on their way to building a career, then I don't even want to hear them mention the words "economic gap." There's no need. If they're talking about the mortgage that they have off reserve, great. If they're talking about the RRSP that they just set up, great. That's perfect. If

they're talking about the RESP that they've set up for their two-year-old daughter, that is perfect.

That's the conversation I want First Nations to be having in the next 30 years. I don't want to be talking about these piecemeal projects on how they spent ten years applying for a fund only to fix their band council office. I don't want to talk about that. Substantial change that affects peoples' lives — that's always been my goal ever since 2005, and it comes from capacity.

[4:00 p.m.]

In terms of Bill 36, if a band has the capacity to access this fund and is okay with signing onto a limited partnership, then that means they'll be able to be successful in terms of the revenues projected in this bill. If they're that successful already, they're probably not going to need it. It's going to be a bonus. If a project is going to cost them $1 million a year, then the $200,000 or $300,000 that's going to come from this fund will actually mean that $200,000 or $300,000 of their own money won't have to be expended.

I'm hoping the formula that we've yet to see acknowledges this, acknowledges that there are some bands, through lack of capacity, that are not going to be able to address this and that are not going to be able to access this. Yet that should be the priority — extra effort put into those bands. We shouldn't leave them behind.

It was a concept that I heard when we were negotiating the forest and range agreement, where a smaller band was actually projected to receive less revenue and less forestry volume just because of the size of their band. They were too small to fight on their own. There were only 200 people in their band, 100 living off reserve. The bigger band said: "We're not going to sign on to the agreement unless that smaller band is actually treated fairly and actually given substantial revenues to help their own problems."

Talked a little bit about the eligibility. For that, I'm assuming, without seeing the final agreement, there is going to be criteria. I know there are objectives and categories that would be put into this agreement that the First Nation will be able to apply for, which is good. It's really good. But if there is a band out there that is okay already with their infrastructure, that is okay with their housing, then I can only imagine there are going to be bands out there that are going to want to use this fund for economic development purposes.

The only concern I raise here is that this fund be actually distributed to those bands, who want to participate in the economy, without prejudice. It should be straightforward in terms of what this band wants to engage in. If it's something that they want to create on their own, on reserve or off reserve, it shouldn't matter, as long as

they meet the eligibility requirements. It shouldn't matter what the nature of the business is.

Now, I've come across this before. I don't see it as much today, but in the past, if you were engaging in a politically incorrect project, you would get ignored. There are a lot of options out there right now for equity in major projects. There are a lot of options out there now for partnering up with businesses in terms of equity to participate in the contract opportunities for major projects.

Now, the major projects we're talking about are fossil fuels. We're talking about Trans Mountain. We're talking the majority of First Nations along the pipeline route who want to engage in equity talks, who want to own the pipeline. This is not new. This is not a new concept. I already see people shaking their heads. The prejudice that you have against Trans Mountain, is that going to fall into the eligibility requirements? Will it?

If a First Nation has ambitions to engage with LNG in terms of equity or in terms of Trans Mountain, will that be part of the eligibility requirements that it could certainly have? It should be without prejudice, because these issues that the government claims to know so much about, that you want to address…. These are horrible situations. The band council is in a catch-22 position. If they try to address it through economic development, they're sellouts. They're apples. If they don't address it, it's a dereliction of their duty. It's a no-win situation.

[4:05 p.m.]

I haven't seen the final agreement just yet. I haven't seen the criteria. But I sincerely hope that whoever's going to administer these funds does not take their political leanings into where these funds are going, because for a small band of 300 people on reserve, with 200 people living off reserve, an equity position could mean their future.

This is bringing back a lot of memories. You know, I meet up with all these Aboriginal leaders that I worked with over the last 14 years, and it's all positive news stories. The LNG has brought tremendous progress to our people, not to their leadership, not to their organizations.

I can really respect a leader that says: "You know, we've got this chunk of money, and probably 98 percent of it went to the members. We got training programs, we got employment, we got contracts, and the people now have sustainable jobs. Now the people don't need council. They don't need government funding. They don't need welfare. They don't need unemployment insurance." That is a true measure of success — a true measure.

An organization that takes this kind of funding and actually takes 50 percent of it as administrative costs or in wages — that is not going to close the economic gap.

There are too many examples of that, all around Canada. There are too many examples.

I don't know the structure of this, but $196 million annually and, on average, $200,000 to $300,000 going to every band, especially for the bands that need it. I hope the majority of that money makes it to these bands, and I hope that the people actually benefit from it. So I'm really looking forward to reading this agreement.

Closing the economic gap is fairly ambitious. Is it achievable? I don't know. I've never known the answer to that question. On a band-by-band basis, it is. I can tell you by experience that it is. But it's not dependent on government funding. There are a lot of factors that go into whether or not a band member will become successful or independent. There are a lot of factors, including their own initiative, that have nothing to do with council.

In a lot of circumstances, the council is actually responsible for the community's future, as well as their band members' future, in terms of opening doors, in terms of providing opportunities. That's just on reserve. Slowly, First Nations that are gaining benefit are understanding the idea that the Indian Act actually doesn't have any holds on them. Now, I understand Bill 36 is going to come with as little strings as possible, which I'm crossing my fingers for — that that's the case.

When you're talking about band councils, band councils are in a really bad spot in terms of what was passed on to them from previous councils. It's tough to break that mentality, because Indian Act funding, for the most part, is restricted to members on reserve. Canada is supposed to be responsible for Aboriginals no matter where they are in Canada. It doesn't matter if they're on reserve or off reserve. That's a grey area.

In terms of B.C., Aboriginals make up 5 percent of the population, and that number is increasing for a number of factors, not just increased births but a number of different factors. What's even more interesting about this…. We've talked. I've heard this conversation a number of times in the House, talking about affordability. What's interesting about these stats is that one in four Aboriginal people in British Columbia actually live in Vancouver.

[4:10 p.m.]

Now, if you're a band like mine…. Probably 50 percent of my band membership lives off reserve. There are probably a few hundred living in the neighbouring town of Kitimat. There are probably 100 living in Terrace, maybe 20 or so living in Rupert and scattered across B.C. But there's a large population of my people living in Vancouver.

One of the good things about money with no strings attached to it is a band council then has the flexibility to actually help all their people, no matter where they live, because it's not abiding by Indian Act policy. This is a tough thing to cover, because a band council,

when we're looking at $200,000 or $300,000, has got to prioritize what they're going to do with that money. Do they replace the water pipes? Do they replace the potholes? Do they fix up their dock? What do they do? Meanwhile, there are people living in Vancouver who are having problems with groceries. They're having problems getting cultural food. They're having problems making their rent.

Now, for those lucky enough to get into native housing, a lot of that's alleviated, but not all. There are a number of First Nations living in Vancouver that don't need it at all. But that doesn't relieve us of our job to do our best to actually help them.

That's what economic development does for bands like mine. That's one of the biggest reasons why I supported LNG. Those years of political opposition, protests, all these philosophical arguments about LNG and China's emissions, Canada's emissions, the United States…. That's all academic when you're talking about what's happening today. My band actually helps the band members no matter where they live in the world. They help them because the money they made off the LNG is not restricted by anybody. There's no criteria.

Mind you, the band council had to set up criteria themselves. They had to set up accountability and transparency measures, but the goal was: let's help everybody. That's why our band has so many training programs. We own a private post-sec institute. We built our own soccer field. We renovated a soccer field. We built the fire hall. We built a rec centre. We build, build, build. And not one penny of it came from government money, because we didn't need it. That is the true definition of independence, and that's what economic development did for us.

It would have been easier if we didn't have to go through so many rules and bureaucracy around applications for funding agreements. It would have been so easy, instead of spending two weeks going through a business application or a business plan, only to find out that you got turned down by the bank because you've got no finance credit rating, or you've got no assets.

I've got to keep coming back to it: eligible First Nation. There's no need for it. If government…. If you created this partnership with 203 First Nations, I'm sure it came up, at some point, at least with one band out of 203. One band said: "Why don't you just give me the money directly? Why do I have to go through a third party?"

I mean, it's the band councils who are in charge of their community's destiny, their future and their well-being. It would have direct benefit, and it would have direct payoff. You'd see the results instantly. First Nations could utilize that kind of money in a day.

There's another term I heard over the last two years in this building. I heard it all around B.C. and Canada: reconciliation. I still don't understand what people are talking about in terms of reconciliation. When I first read the term "reconciliation…." It was a word that was actually used by a judge when he was pronouncing his decision on a rights-and-

title case, and it came down to consultation. I think this is important when we're talking about the consultation that the government did with 203 bands in B.C. to come up with this Bill 36. But in terms of reconciliation, it's used for everything.

[4:15 p.m.]

What the judge said, basically, was that we better come to an agreement here that satisfies all parties, because — let's face it — none of us are going anywhere. In terms of the case law rulings as well, there's another thing that was said by judges. They said that reconciliation or consultation accommodation should be done but also in the light of the greater society. That's pretty important. Consultation accommodation in light of the greater society — that's the Crown's job.

I mean, at the end of the day, you don't want to create animosity. And we saw that. We saw that already with the mountain caribou issue. There was misdirected animosity toward the First Nations that signed on to these agreements with the government. That wasn't right. That animosity should not have gone to the First Nations.

That is not in the spirit of reconciliation. Reconciliation is supposed to bring parties back together. It's not meant to divide us. And we're dividing us by picking winners and losers. There are non-natives in my family. I have non-native friends. I live in a community that's diverse — races from all over the place. I don't want to fight with them, and I don't want to argue with them based on an agreement that I signed with the provincial government.

When we're doing the decisions…. I'm sure the government recognized this, and it was already mentioned before — that this will not impact different funding that is already laid out in place of the lottery revenues. I'm hoping that it doesn't divide, that it doesn't pick winners and losers. If it does and there are arguments coming out of it, then the term "reconciliation" will be meaningless — not if you create animosity out there.

In terms of the consultation, I'll be going back to find out what my band thought about the consultation, what they thought about it in terms of the deliverables. I've got a number of chief councillors, as well, that I talk to on a regular basis. I'll be talking to them. More importantly, I'll be talking with First Nations that actually really need this kind of money.

I'm also an MLA. I have the experience of being a First Nations leader through council as well as being a chief councillor. And through the case law of Aboriginal rights and title and section 35, I learned a long time ago…. Actually, it's the words of the judge that said none of us are going anywhere, so we better get along.

Everybody wants money — everybody. You're talking about jurisdictions. You're talking about regions. You're talking about cities, municipalities. Everybody wants it. In my riding, if you come to it, actually, it's one of the top topics for our municipality councils. And to be honest, I agree with them. I always have.

If we're talking about revenues coming from resource development, then why not do resource-revenue-sharing agreements with the regions and the municipalities that are going to be most impacted? There is going to be a lot of pressure put on Kitimat and Terrace, a lot of pressure. We're already seeing it — the amount of traffic that is actually impacting our highways and our roads.

In fact, the federal government recently recognized this with a $55 million investment in terms of replacing the Haisla Bridge. Now, it's named Haisla Bridge, but the Haisla have got nothing do with it. But back when I was a chief councillor, I supported this idea in principle because I knew the LNG industry needed this. If we were going to have development in our territory, we needed to replace the infrastructure, including that bridge.

[4:20 p.m.]

That was one thing that the federal government recognized — that in terms of the need, it was going to be based on impact. There was a priority placed on Kitimat. Terrace has got the same priority.

It's not just infrastructure. The amount of people coming into Terrace that are hoping to find a job in Kitimat or Terrace is placing incredible strains on the social services in Terrace and Kitimat. I don't know if it's optimism or best guess. I don't know. But it's actually increasing the problems that we're seeing in Terrace. Kitimat not so much yet, but it's coming.

In terms of the revenue-sharing, especially when we're talking about the rural dividend fund, and also in terms of the word out there that there's going to be a 5 percent decrease in terms of the government programming commitments, I'm hoping municipalities aren't left out of this, especially in terms of impacted areas.

We all share these services. I don't care if you're in Kitimat, Terrace, in a remote part of northeastern B.C. or down south. We all share these services. We all share the same infrastructure. So if you improve a highway or you improve a hospital or build a hospital, it actually benefits everybody. So I hope that other jurisdictions are not left out or actually get their funding reduced or ignored. I know that at the recent UBCM meeting that was one of the concerns, especially in regards to the rural dividend fund.

I understand the issue the government is in, because this is all based on budget. And the budget actually is one of the biggest components when it comes to good

governance, unless you want to increase taxes to pay for these services or unless you want to go into deficit financing, which is not a good idea in either respect.

There were a number of times that it was said — I'm just repeating what I said — that this is the first time revenue-sharing was actually created, but I was at the table when there were a number of revenue-sharing agreements created.

To be honest, the government is actually going through a learning exercise, and it only just started in earnest in 2004. Really, nobody understood the rules back in 2004. Nobody did. There was a case ruling out there, the Haida court case on the duty to consult and accommodate, but there was no definition given to it by the courts. So everybody had to try to interpret it and try to fix it, in terms of good governance and budgets, in terms of what a First Nation wanted and in terms of what the economic development community wanted. Nobody understood it. So there were a lot of mistakes made. There was a lot of progress made.

I already mentioned the forest and range agreement, that in exchange for volumes of wood as well as revenue-sharing, peace in the woods was achieved in our regions. Logging was allowed to continue because now First Nations were accommodated in terms of revenues as well as timber volumes. That was a significant agreement, and that is still paying off today for many First Nations. In fact, if I understand correctly, First Nations are back at the table asking for more volume, because they can see it provides employment as well as it provides revenues.

There is one revenue-sharing agreement, for lack of a better word, that was actually pretty significant for us, but we didn't understand the politics of the day. It was an environmental revenue-sharing-type agreement made between the B.C. government and First Nations. Over the years, there was a lot of talk about how this was going to unfold. It ended up turning into what we know today as the coast opportunity fund.

[4:25 p.m.]

What you might not know is that there was an exchange for this. It was actually the B.C. government, in partnership with environmental organizations, that put together this pot of money if First Nations would agree to put land into protection. That's how the coast opportunity fund came about.

The First Nations had to put something on the table, and that was the request from the environmental organizations. "If you secure land that will never be developed, we'll put up our half of the money." And B.C. went along with it.

Now, this was a one-time payment. But — and this goes back to capacity — I was at that table. I thought: "Great. This is going to be money. It's going to come to us. I can protect this land through an agreement with the B.C. government. I can start utilizing some money for some of the stuff that I've got to do."

Well, it wasn't that easy. In fact, it was actually pretty surprising to find out that we had to go through a third party. This money that had been promised to us had been promised to be managed by a third party in two categories. One was an environmental fund that would always be replenished, and the other one was an economic development fund.

The environmental fund was actually meant for environmental projects as well as to provide capacity environmentally in terms of our organization. So that wasn't a problem. I mean, we had more than enough environmental projects. We actually needed capacity in terms of dealing with some of the major projects coming in. That wasn't a problem.

The economic development fund was a problem. I kind of outlined some of the issues that come up. When a First Nation tries to engage in economy, they just don't have the assets. They don't have the financing. They don't have the credit rating. They've got nothing. So we didn't even touch that fund. We were pretty insulted, after all that negotiation, when we found out that we had to actually apply to a third party to access our own money even though we had already put that land into protection. It was a sore spot for my council.

Mind you, by the time that LNG got up and running, we actually used that money to support LNG initiatives across the board. I think we depleted that fund. But it all came back in terms of employment and training for our people, so it had a benefit. But nobody seems to remember that fund anymore. It had an impact, but it wasn't an instant impact. It took years to understand whether or not we did affect that economic gap. I don't know if it did or not. I couldn't tell you. It's a measurement we never thought about.

Similar to that was the new relationship trust — 2006. This fund was $100 million, and we anticipated that this money would actually flow to the First Nations. Well, it didn't. It actually went to a third party, and it became application-driven. I wanted no part of it, because I didn't like applying for money, especially if you have a solid business plan or you have a solid project that actually guarantees that a person will get the training needed to actually engage in the economy for employment initiatives.

There are examples out there in terms of revenue sharing. And not one of these initiatives are perfect. But it's a learning exercise from all levels of government.

The measurement I'm looking forward to will be whether or not the members themselves get themselves out of poverty. The measurement will be: are there more Aboriginals going into the workforce instead of going into prison? That'll be a measurement. Will there be less kids going into government care? That's a measurement. Will there be less band members on welfare?

I'm not just pointing this out for Bill 36. I'm pointing it out for every single initiative that I've seen coming down the pike for the last 15 years. It's what a lot of First Nations will question when they come across this.

[4:30 p.m.]

I'm sure there are a number of First Nations that will be surprised to hear that they'll have to apply for the money that's actually allocated to themselves, or they'll have to become a member of a limited partnership. It's permissive. It's almost to the point of paternalistic.

[R. Chouhan in the chair.]

Yet there are so many examples of the previous government doing significant revenue-sharing agreements, whether it be mining, forestry, LNG-related. There are different ways to address some of the issues that First Nations are addressing without even thinking about a revenue-sharing agreement in the first place.

The environmental stewardship initiative, put together by the previous government, was actually meant to address a need that First Nations were facing all across B.C. How do we address issues in the environment in our certain territories? A revenue fund was put together, and in partnership with B.C., they cooperated and they picked up projects to work on. There are a lot of good examples.

From what I see, and I haven't heard it mentioned here, this government is trying to build on the success already. They're trying to build on it. They're trying to build on the agreements that were signed with 154 nations that included over $420 million of revenue, forest revenue-sharing agreements. They're trying to build on that. That's great. Keep going. Fifteen years of success. This will add to it. That will help close the economic gap that's been closed to a large extent already.

You will build on the fact that 62 natural gas pipeline agreements with 29 First Nations are already there waiting and are already receiving benefits. You're going to build on that.

You're going to build on the more than $26 million in direct mining tax revenue that's already been agreed to with First Nation communities. This is going to add to that.

At some point, I think this huge puzzle is going to actually be put together. But at the end of the day, it's going to be what these communities do with this money on behalf of their members, on behalf of their infrastructure needs. That's what is going to matter.

You're going to build on the land transfers actually achieved with bands like mine, which actually created the base for economic development. We're not arguing about reserve lands or traditional territories. We're talking about strategic land that has

a value in terms of a lease that provides sustainable lifetime revenue for the lifetime of a project, which could be anywhere from 40 years.

Now, with the agreements that I have signed, that I was at the table with, they talked about that — 40 years. But in reality, these companies are talking about 60, 70, 80 years, and 40 years was just a marker to shoot for. That's all it was. Rio Tinto Alcan, for example, in my community — 70 years and counting. They're probably looking forward to another 50 years.

If you form agreements based on that, that's sustainable. Government funding — not so sustainable. I mean, 7 percent of the revenues come from gambling. But if gambling goes down or the economy crashes, those revenues are going to crash too. Disposable income — if it's not available, they're not going to go out and gamble. They're going to save that for groceries or mortgages, unless there's a provision built into it that says that it doesn't go below a certain threshold, which I haven't seen.

You're also going to build Bill 36…. You're going to add to a whole list of reconciliation agreements signed between the B.C. government and First Nations over the last 15 years. You're also going to build on the increase of Aboriginal students graduating from high school, going to college. I didn't have to read the report to know that more of my community members are going to college because they broke away from the shackles of the Indian Act. They broke away from those policies and rigid rules. You get a First Nation like mine, where they get increased revenues that have no strings attached.

[4:35 p.m.]

We sent a woman to become a yoga instructor in Alberta. Under the Indian Act, you could never do that. A yoga instructor, because we felt that there were going to be ancillary services needed by the LNG industry that didn't include direct employment within the LNG plant itself or the pipeline. We thought more about the families that would be coming and living in our region and how we build up the capacity for those people that want to come.

That's important, because recruitment in rural areas is a real problem. When you're talking about doctors, nurses, it's a real problem. That's what revenues without strings attached actually provides.

If these consultation agreements are as successful as it sounds…. Which First Nations said that they're okay with going through a third party and having a condition of joining a limited partnership and then having a condition of filling out an application to apply for the money? Which First Nations signed up fully for that? I can almost bet it's a First Nation that understands the whole process because they've been through it before successfully.

There are bands that are very successful in terms of accessing Indian Act money because they've been doing it for so long. They don't know how to do anything else. But there are a lot of bands that are going to have trouble filling out application forms.

If it's anything like my band, if you see limited partnership or general partnership, the first thing you do is send it to your lawyer. Then you've got to discuss. Then you've got to bring it to your community.

It's been my pleasure speaking to Bill 36. I look forward to listening to more of the comments raised by my colleagues in this Legislature. I will take my seat.

A. Olsen: I'm glad to have the opportunity to stand and speak to Bill 36, the Gaming Control Amendment Act, 2019.

As I said during the 2019 budget process, this was indeed an important investment that the B.C. government is making in Indigenous communities. It's a long time in coming. In fact, from my understanding, this request for access to gaming funds has been a long-standing one made by Indigenous leaders of this generation and of past generations. Until the announcement in Budget 2019, successive governments have ignored that request of Indigenous leaders. We find that today we are now having the conversation and we're having the debate about a bill that actually brings this commitment that the government made in the budget into action through this legislation.

It's basically a $3 billion commitment over 25 years to First Nations communities — funds that First Nations are able to access for the first time in the history of this province, somewhere between $250,000 and $2 million, depending on the number of communities that have subscribed to the fund. This is money that is going to be able to be used for all types of activities that are needed in the communities.

There have been a lot of comments that have been made in the House so far this afternoon with respect to capacity-building. These are exactly the kinds of funds…. This is the kind of project that these funds can be used to support. We know, as someone who grew up on a reserve in the W̱SÁNEĆ territory in Tsartlip, that much of the funding that comes to First Nations communities is program funding. It's very specifically dedicated to certain projects, to certain activities, and the reporting on that is very tight. The accountability on that money is very tight.

This proposal is a proposal that allows for First Nations communities to be able to access funding through the gaming activities in this province and to be able to invest that money and put that money where they see fit. This is an important funding opportunity for First Nations, and I don't think that it should be downplayed — the commitment that is being made here.

This is money that is going to be consistent. It's money that the communities can borrow against. It's money that communities can invest on, and it's certainly a welcome investment being made by the provincial government.

[4:40 p.m.]

The relationship between the provincial government and the First Nations Leadership Council and First Nations communities is growing and strengthening. I'm very thankful for that, and I'm thankful for the investment that's being made through this legislation, and it was made in Budget 2019.

That is the total sum of the comments that I have to this. I look forward to hearing the debate and the discussion as we go further through this in the committee stage. I just wanted to stand today and reiterate my support and my thankfulness, my gratitude. I raise my hands to the government for working with First Nations communities who have been asking for this.

Unfortunately, this has been a request that has been long ignored and one now that we're able to say has been able to come to fruition because the people on this side of the House listened and worked with First Nations to make this happen. So I raise my hands to government. I raise my hands to the process that has allowed this to come to fruition.

HÍSW̱K̲E SIÁM.

R. Leonard: I'm very pleased to be able to stand today in support of Bill 36, the Gaming Control Amendment Act. It is, as has been stated earlier, a significant step to further support First Nations in their self-determination.

I can't help but think about the issue around equity and fairness when we have brought forward a world where there's been systemic oppression, that we have systems in place that have not allowed communities to grow and to prosper based on how they're able to create economic opportunities. This is a vehicle for economic opportunities.

In my own community, the K'ómoks First Nation has three different reserves. They have desires and vision to see economic growth, but they've never had the opportunity to tax, to raise the funds that are often needed to gain access to other funding opportunities. This will give them that space now to be able to really move forward with a lot of vigour on various opportunities.

It's not just infrastructure, although infrastructure is something that those of us from municipalities know very well. Residents want to see good sewers, and they want to see safe water supplies. These are opportunities now that First Nations are going to be able to move on, as have been listed earlier: health and wellness, safety,

transportation, housing, business development, education, language, culture training, community development, environmental protection, capacity-building, fiscal management and governance.

These are all opportunities that have been rallied by First Nations for so long, and that desire has fallen on deaf ears for so many years. I'm very proud that we are able to take this action in a very collaborative process with the direction of leadership from the B.C. Assembly of First Nations, the First Nations Summit, the Union of B.C. Indian Chiefs and through the First Nations Gaming Commission.

This is not a top-down approach. This is what is being asked for. It's not unlike the Union of B.C. Municipalities, which gets federal funding that is then distributed to local governments. Instead of First Nations going to this government to seek funds, it is going to be amongst the people of the First Nations who are handling their own funds. This is British Columbia finally joining along with five other provinces to do what's right, to find a way to provide the funds for First Nations on their road to self-determination.

[4:45 p.m.]

I think that when you have an opportunity to do this kind of revenue-sharing, there are questions that we've heard today around fairness. Absolutely, the Minister of Indigenous Relations and Reconciliation made the point that revenue-sharing continues and is not in jeopardy. Revenue-sharing with local governments, including First Nations who host gaming facilities — Courtenay is one of those communities — is not affected, nor are community organizations and health services that already get gaming revenues. This is an opportunity for all of us to work together to help build a prosperous British Columbia for all people.

I think I'm going to stop now. I'm just so very proud that we are moving forward on a request that has been long-standing and that has been developed in a very fair process, in a collaborative way. I look forward to seeing the fruits of this, I expect when this legislation passes, soon to be entrenched and long-standing for 25 years — secure funding to be able to move forward and grow.

J. Rustad: I'm pleased to rise to add my voice to the debate on Bill 36. It's always a pleasure to be able to bring the perspective of Nechako Lakes and of the people in my riding, Indigenous and non-Indigenous alike, to debates like this. I'm looking at the bill. I've read through the bill on a number of occasions here now. Obviously, it was raised as part of the budget commitment from last year.

I wonder how many bands in my riding — I've got 13 bands or so in my riding — signed band council resolutions that gave authorization for the money to flow through to the leadership council. It's curious to me because the comments that I've heard from members that have spoken is that the agreement is between the leadership council — that is, the Union of B.C. Indian Chiefs, the Assembly of First Nations and the First

Nations Summit. But those organizations have said over and over again that they do not have the authority to speak on behalf of the First Nations. They do not have the authority to sign agreements on behalf of the First Nations.

I was the minister responsible for the file for more than four years, and I spoke with them many times about agreements. They don't have that authority. As a matter of fact, there was a time back before my time in the ministry where they did sign an agreement and tried to move forward an agreement. They were attacked by the bands because they didn't have the authority to sign on behalf of bands. So I'm curious about this agreement and the revenue going forward to First Nations.

Having been the minister responsible in the past, I know very well that the First Nations need revenue, and they have lots of positive things that they can do in creating economic development and improving conditions. So I'm not opposed to the concept of the revenue.

When we were in government, we did oppose the idea of gaming revenue because we were the first government in Canadian history to actually share resource revenue. No other government was doing that. Other governments across Canada, when they were talking about doing things with First Nations, refused to go down the road of resource revenue. Instead, they went down the road of gaming revenue. I get that. That was their choice. We felt that it was more appropriate that the revenue going to First Nations come directly from the resources and the activities that were happening on their traditional territory.

This government has decided to go a step further than that. That's what the government has decided to do, and that's fine. I'm not going to oppose that particular step going forward, but I do wonder in the sense and the technicality of just how this is being done.

I remember entering many discussions with nations around the province, whether they were nations in my riding or ridings around the province. The previous member, for Courtenay-Comox, talked about three nations in her riding that were interested. There are six nations in Campbell River. None of them wanted agreements through the First Nations Leadership Council. They wanted government-to-government relations. They wanted an agreement with revenue that went there.

[4:50 p.m.]

As a matter of fact, I remember having discussions around forest consultation and revenue-sharing agreements for revenue coming from the forest industry. I suggested at the time that we set up a system that would be able to support some revenue going to the First Nations forest council, and they were adamant. The bands I talked to were adamant, saying: "No, that's our revenue. That shouldn't go to them."

How much revenue are we talking about here that will end up being under the control of the leadership council? What is the administrative cost? How is this process actually going to unfold? This is going to be a very interesting discussion when it comes down to committee stage, because there are a lot of unknowns in terms of how this is being done.

More importantly…. Talked about lots of consultation, talked about a collaborative process. There are no bands that've signed on to this. This is just with the leadership council. The authority rests with the First Nations. The authority of agreements and revenue comes directly from a First Nation. It comes from the band council resolution.

We signed, in the time that I was minister, about 435 agreements, and every one of those agreements was with a band council resolution, every single one of them. Every dollar. The agreements that were signed were government-to-government revenue flowing. Not a single one was done through a leadership council or that process, where the revenue would flow to a nation through a council, or through any other type of process, when I was in there.

Back when we set up the First Nations…. I can't remember the name of it. We set up $100 million for the new relationship trust that was set up. That was the name of it. We signed so many agreements, I can't remember the name of all of them. I didn't sign that one. That was before my time. But that was set up.

It was set up as $100 million that was set to be able to benefit nations around the province. And guess what. We heard loud and clear from the First Nations they weren't happy. Why? Because the money wasn't in their hands. The money was in the hands of an organization outside of it, and they didn't see that money directly flow through.

Now there is a process. There is money, and it's certainly gone through and seen some benefits. But First Nations weren't happy about that. So I'm actually very curious to see whether the First Nations have signed on and agree that the leadership council should be the ones that are responsible for yeaing or naying a project that comes forward.

After all, isn't this what the Indian Act was all about — the paternalistic approach of they know best as to whether something should be approved or not, and the federal government can approve how money is spent or not within First Nations? That stuff goes back 150 years, 100 years at least, in terms of the Indian Act.

That's not the approach we should be doing for reconciliation. Bands should be responsible for their own money and their own future and helping to build it for the nation. It shouldn't have this process in the middle. I fail to understand what government is trying to achieve here. Why wouldn't they just go out and do the agreements with the nations and have the money flow through to them, have a report back as to how that

money is being spent, with the conditions, and trust the nations to be able to spend according to the way that they've signed on to the agreement?

Isn't that what true reconciliation is — working together and opening partnerships and having First Nations responsible and capable of handling their own affairs and working in partnership to try to support those goals? Why are we creating this vehicle? Quite frankly, you're going to have overhead, and there's going to be an onerous amount of applications and process that has to be gone through.

My colleague from Skeena talked, and he has experienced it directly. For bands that don't have the capacity to go through, how is that fair for them? How's that going to work, as opposed to having the money directly flowing to the band and allowing them to build capacity and develop things? I don't quite understand what the desired outcome is with that.

There's another piece, as well, that I'm very curious…. I'm very curious as to whether or not the provincial government has engaged with the federal government on this issue. You see, any revenue that comes in to a First Nation is called own-source revenue, and that could potentially reduce the amount of revenue that comes in from the federal government.

Are we simply letting the federal government off the hook through this agreement, through the money that's coming through, in terms of the money that will flow to the nations through federal agreements? Where's that discussion? Is that being resolved in advance of this coming forward? I haven't heard anybody talk about that in advance.

[4:55 p.m.]

Maybe because it's gaming revenue, there isn't a concern there. But it's something, certainly, that needs to be known, and I'm sure the First Nations themselves would like to be part of those discussions, which apparently they weren't.

Going through and looking at the agreement and the process through here, the other thing that comes to mind with this is government has the ability to change how much revenue it shares with charities and charitable organizations and sporting groups and others around the province. It has the spending authority to be able to change that. But with the First Nations, it doesn't.

Now, that's part of the agreement that's gone in there, but there comes a time when government is in some fiscal challenges, and I think this current government is facing that today, given, certainly, the number of charity groups and other organizations that have told me they have received reduced funding over what they normally have received in the past. But it makes me wonder about that commitment and removing that

ability for government to manage the books of the province from gaming revenues, which it does from time to time.

Is it fair and equitable, as one of the previous members who talked to…? It's okay for other organizations that depend on gaming revenue to be at the whims of government and government process? I suppose. But it's an interesting question and an interesting conversation that many organizations that have felt that their funding has been reduced over this past year would love to be able to have, I think, with this government.

One of the previous members talked about this being assistance in terms of a vehicle for economic activity. I can understand that. You know, revenue coming in allows some things. But why does it have to go through, once again, some other entity? Why isn't it going just to the nation itself?

I wonder. Given that nations have different capacities…. Some nations — obviously, the Osoyoos band, the Haisla, Musqueam, Squamish, Tsleil-Waututh, a number of others…. Tk'emlúps comes to mind, Kanaka, McLeod Lake. They're doing fine. Economically, they're quite advanced. They've got a lot of revenue. They've got a lot of activities happening. Tsawwassen, some of the treaty nations, are doing just fine.

Is there a balance in this funding that goes out that recognizes the bands that are impoverished and that haven't got opportunities — to receive a different type of share as opposed to a band that is doing well? Or is this just straight across the board? Or, as I fear, the bands that are doing well have the capacity and capability to make the applications and will get the money, and the bands that don't have that capacity may lose out on an opportunity because they can't put forward stuff. They haven't got things planned. They haven't got the process in place. How is that, then, fair and equitable? How is that, then, driving economic opportunity, particularly for those nations that are struggling?

That is why I come back to the main point: have the bands signed on? Are there band council resolutions? Why not have this money flow straight to the bands?

In all the time that I was minister and visiting many, many communities around the province and we had talks about economic development and revenue and trying to partner in terms of how we help nations build their future and what role government can play, nations talked to me about wanting to have gaming revenue. But not a single one of them said they were interested in having it go through the leadership council. Nobody advocated for that model.

I'm very curious in terms of the consultation and exactly what the First Nations would have to say with regards to this process that is set up. In many ways, I actually find it somewhat disrespectful by this government. I heard some of the members over

across the way laugh. I took the job of going out and consulting and engaging with First Nations very seriously.

[5:00 p.m.]

That's why we signed so many agreements. That's why we forwarded reconciliation in this province farther than any other jurisdiction in this country. It's why we saw First Nations entering into economic development and engaging and setting up companies. We helped, and we worked together. We're partners, and we helped to lift each other up.

That's what reconciliation is: working together and solving problems, trying to find those paths forward, not being disrespectful and not engaging with them and having an agreement with a leadership council. I can guarantee you there will be nations out there that aren't happy about it.

I look forward, actually, to going out and having those conversations with the nations, particularly the nations in my riding. I know they're excited about the idea of getting the gaming revenue. But I can tell you that I'll be very surprised if they're excited about a portion of that staying in the leadership council for management and having to work with the leadership council to get any kind of agreement or process forward.

To that end, when I think about economic development, the challenge that nations have faced…. I'm not an expert, having spent four years in the ministry, but I will say this. The challenge that the nations have faced can be summed up quite nicely in a book that Calvin Helin wrote called *Dances with Dependency*.

It's a very interesting book. It's not about drug or alcohol addiction. It's about addiction to government cheques, money that's coming in from governments. I wonder if there's an attempt, in terms of the gaming revenue and this process…. Is this not just another government cheque coming in? What will that do in terms of being able to advance the opportunities for people in terms of being able to go out and build that economic capacity?

When you look at the sum of the stated goals of it, whether it's various government services, etc.… Those are needed, but I'm not sure if that's really laying the best foundation for economic activity and for building an economic future.

I remember talking with the Nisga'a about their treaty and about what they hoped to achieve through the agreements that they had. The goal of Elder Joseph Gosnell was: "It's high time that we not only have an opportunity to catch up to our non-Indigenous partners but, if possible, surpass economically."

The treaty was about laying the foundation for building an economy, for building success, for helping the nation move from beyond managing poverty to managing

success. I think revenue coming in can be helpful with that, but I'm not quite sure this would be defined as setting that kind of a stage.

It's like I say. I'm not opposed to the idea of going forward and doing this, but I do have serious questions about the process and what's going on and how this was set up. It seems to be more about paying off friends than it is about actually getting the resources to the bands.

Interjections.

J. Rustad: I see members on the other side seem to be shocked about that. Why are you working through the leadership council? Why aren't you working directly with the bands? Why isn't the money flowing directly to the bands?

The member opposite is heckling somewhat, and that's good. Maybe heckle a little louder. I'll be able to respond appropriately.

It does surprise me.

Interjection.

J. Rustad: Interesting. Well, I hope the member opposite gets an opportunity to stand up and give those comments on record.

Interjection.

J. Rustad: I'm happy to defend my record any day with First Nations. The member opposite is talking about the record.

Interjections.

Deputy Speaker: Members. The member for Nechako Lakes has the floor.

J. Rustad: Let me talk about the record of the B.C. Liberals under our government. There were virtually no agreements in this province in the 1990s with First Nations.

Interjection.

J. Rustad: There was one agreement, and it wasn't even done. The Nisga'a treaty wasn't even done. The B.C. treaty process had to be done outside.

I can tell you this. The only other modern treaties were signed under the B.C. Liberals. As a matter of fact, of all the agreements that this province signed, over 500 agreements, just about every last one of them was under the B.C. Liberals.

What did it do? We saw engagement on forestry, opportunities to cut wood. We saw opportunities for revenue there. We saw opportunities for mining — to engage in agreements with mining, both with impact-and-benefits agreements as well as with the revenue source agreements, engaging fully in the economy and activity. The LNG agreements, the LNG process that went through there, training agreements, environmental management agreements — there was a wide range. We opened the door so far in terms of going with these agreements that, quite frankly, we couldn't keep up with the number of agreements and the number of processes that First Nations were willing to do.

What's happened since then under this government? It's gone silent. There have been a handful of agreements that have been signed. All of that process has come to an end. Why? I'm not sure why. It's a good question.

We're proud of the record we had with First Nations. It was a dramatic shift. When you talk about a First Nation that went from 65 percent unemployment to 15 percent unemployment because of working through agreements and advancing, that's progress. That's reconciliation.

We were well underway at implementing all of the recommendations from the Truth and Reconciliation Commission. We had changed our education system, implementing that…. There's so much that we did with First Nations. It's remarkable. And to hear the members opposite say that we should be ashamed of our record? They clearly or simply have political blinders on. It's like this agreement. It's the political blinders, thinking they're doing great things.

Get the money to the bands. Have the agreements with the bands. Have them sign the band council resolutions to be able to be part of it. That's the route that should be taken with these types of things.

Make sure that you deal with things like own-source revenue. How is that being addressed? If you've got the agreement with the feds, you're making sure that that's not just going to be clawed back so there's no net gain, or virtually no net gain, for the nations.

This bill is a relatively short bill in terms of the number of sections and pieces that are in here, but there's a lot that I think will be up in terms of discussion at the committee stage. I look forward to being a part of that discussion as it goes through. I hope that when the minister comes up, the minister responsible for gaming, who is, I'm sure, listening to this discussion as it goes on….

I'm very curious, though, why gaming revenues for so many organizations around the province that depend on it are in decline. Now, the promise of this

agreement was that it would have no impact. The promise of this agreement is that it would come out of the government side of the gaming revenue. But the reality is that many organizations around this province are receiving less, sometimes 50 percent less, from revenue. I'm very curious about just how that accounting is going to work. It's going to be very interesting to see.

I'm hopeful that the minister will be able to answer some of those questions and not have to wait until the year-end report comes out next summer to see whether or not those gaming revenues and the amount going out has held to the amount from previous years.

Interjection.

J. Rustad: The member opposite seems to think the same amount of money has gone out this year, and that's good. I hope it has. Clearly, organizations in my riding and in other ridings that I have talked to where the revenue stream is down…. So we'll see what the final numbers are when the budgets come in. It will be very interesting to see that process.

I support any vehicle that provides economic development and economic opportunity for First Nations. First Nations, as Joseph Gosnell has said, have been behind the rest of Canada economically for far too long. It is high time that First Nations had an opportunity to be able to engage fully in the economy and meet or even exceed where other people are in this country.

I fully support reconciliation. I support the goals of being able to bring people together to resolve the issues of the past and to find a path forward together. If gaming revenue is going to be able to help with doing that, I support the idea and the notion of it.

[5:10 p.m.]

There are serious questions in terms of how this process is unfolding and how it came to this agreement. I very much look forward to having those questions answered by the minister as we go through the process of committee stage on this bill.

With that, I know the First Nations in my riding…. I have talked to them many times. They're very interested in engaging economically. I know Chiefs and former Chiefs in my riding that have tragically visited far too many attempted suicides. I know they are tired of saying no. They want to see economic development. They want to see projects go forward. They want to see a path to being able to manage prosperity.

That's what I support fully. That's what we supported when we were in government. If this path can help that, that's good. That's a positive. But let's make sure

it's a direct benefit for the nations and not just a select group that is part of a management group.

With that, I will take my place. I look forward to hearing the other comments that may come from members in this chamber.

Hon. D. Donaldson: I rise to speak on this second reading of Bill 36, the Gaming Control Amendment Act. I'm rising to speak in favour of the act.

I can agree with at least one comment of the previous speaker, the member for Nechako Lakes, my neighbour. The point I can agree with him the most in his comments was that he's not an expert. So fully agree with that.

I take his comments, though. I find the tenor of some of his comments quite disturbing. To characterize this gaming revenue, this first-time-ever sharing of gaming revenue from the province with First Nations, as paying off friends…. I don't know if anybody can get their head around that. Paying off friends is the way he characterized this bill.

You know, I'll be surely getting in touch with the B.C. Assembly of First Nations leader Terry Teegee, who is from the area that the member for Nechako Lakes represents, to make sure that he knows those offensive comments were made about him — that this bill was characterized by the member for Nechako Lakes as paying off Terry Teegee. That is absolutely a disgraceful kind of characterization of this legislation.

The member also displayed what I can only call a paternalistic attitude in his comments around this bill.

He characterized the flowing of revenues that will happen and that are going to be so important for First Nations in B.C. as another cheque coming in and characterized it as a dependency. He talked about Calvin Helin's *Dances With Dependency* book, which was a very, very well-written book around dependency — addictions, especially. But characterizing flowing revenues from gaming, which First Nations have advocated for, for over a decade, falling on the deaf ears of the previous government…. To characterize that as a cheque coming in and creating further dependency is outrageous. I don't know how it can be described as anything else.

Then to say that how the money will be spent is being left open to the First Nations who will be receiving this money…. The member for Nechako Lakes described that as…. Well, perhaps it'd be better spent on economic activity. In other words, he was better in a position to decide how this money should be spent in First Nations communities than the actual First Nations people who live in those communities. That is just a paternalistic attitude that was well on display during the 16 years of the B.C. Liberal government as well.

What I think the member failed to grasp and what this legislation actually embodies is how extremely happy and the joy that First Nations displayed two years ago when we were appointed government and when we formed government. It was a joyous occasion. First Nations from across B.C. were overjoyed.

That's because, in direct relation to this bill, it was typical that the previous government…. As the member for Nechako Lakes said: "We talked a long time about getting gaming revenue." Well, they talked. They talked. They talked. We, as a government, actually did it. We did it. We have created a mechanism. We have created an act, this act, in order for revenue from gambling, from the B.C. Lottery Corp., net income for the next 23 years, to be flowed through to First Nations in this province.

The previous member talked about an Indian Act approach. Well, exactly. That's why we're undertaking what we're doing as a government to enshrine the United Nations declaration on the rights of Indigenous people into provincial legislation — that we look at every piece of policy and legislation through that lens, through the Truth and Reconciliation's calls to action lens and through the Tsilhqot'in decision lens. Those are things we do to overcome the imposed Indian Act system that the member referenced.

These are things that are important to First Nations, the gaming revenue especially. I heard mixed messages from previous speakers, including the member for Skeena, around Bill 36, including the member from Richmond, including the member from Nechako, about how this revenue would flow to First Nations.

Some of them seem to indicate that there wasn't the capacity to flow directly to First Nations. Others advocated for better oversight, it seems, for the money being flowed to First Nations. Well, you can't have it all, every different way.

The mechanism that's set up is very simple. The member for Nechako Lakes discussed and wanted to know about how it was fair and equitable. The participating First Nations can obtain their share of the gaming revenue based on the following formula. There's no secret here: 50 percent is base funding, divided equally per community; 40 percent is based on population; and 10 percent for geographically remote communities. How could anything be more simple and straightforward than that when you are talking about fairness and equitability?

The member for Nechako Lakes then went on again to contradict himself, talking about…. Well, different bands, different First Nations, might have different capacities to apply for this funding, and therefore there would be some fairness issues.

Well, again, it's quite straightforward: 50 percent, 40 percent, 10 percent. And the funds can be used for health and wellness, infrastructure, safety, transportation and housing, economic and business development, education, language, culture and

training, community development and environmental protection and capacity building, fiscal management and governance.

In other words, it's up to the community. It's up to the leadership in that community to decide how the money is being used. What could be better than that? What could be more grassroots than that? That First Nations communities, no matter how big or how small….

I've got a First Nations community in Lower Post, a couple of hundred people on the Yukon border way up in the northeast part of my constituency. I've got another First Nation community, Witset, between Hazelton and Smithers — more centralized as far as services. Each of those communities have different needs, and this funding can be used, depending on the needs of the community and the leadership of the community. So it's fair and equitable from that aspect. It's also a very simple application process that the mechanism provides.

So very difficult to understand or to decipher the mixed messages coming out of the other side about this bill. I believe they're going to vote for it, but their apparent opposition…. And, of course, they opposed sharing of gaming revenues with First Nations while they were in government for 16 years. So it's no wonder they're uncertain about this bill.

[5:20 p.m.]

The other aspect that has been covered and that I want to address is, actually, how this funding is different from other funding. I think, especially, the member for Skeena but also the member for Nechako Lakes fail to grasp an important aspect of this funding. That is the long-term nature of the funding.

The member for Nechako Lakes talked a lot about different agreements, one-off agreements. That's something that First Nations are tired of — one-off agreements. The important part of this actual funding through the Gaming Control Amendment Act is that it's long term. The funding formula is there. First Nations communities can count on it for the next 23 years versus not knowing from year to year whether they're going to get an agreement with the government and whether there's going to be funding available.

I can't understate how important it is for First Nations communities to be able to go to the bank, for instance, and say: "Look, we've got this guaranteed source of revenue within a certain latitude, based on 7 percent of the provincial government B.C. Lottery Corp. revenues for the next 23 years." That enables them to come up with equity for economic development projects, for infrastructure projects, that they didn't have available to them in previous years.

That long-term nature is what sets it aside from the approach of the previous government, which was a transactional approach and not a transformational approach.

This is a transformational approach. It's long term. It's saying: "This is a simple mechanism, a simple criterion to get the money into the hands of the communities that need it." Then, based on the categories I listed, it is up to the community to decide where their needs are highest.

I can give an example of how this money and these resources could be so well used by communities that don't have the access to this kind of funding now. That is an issue, a topic, that's in the areas and the communities surrounding my home community, Hazelton. I was able recently — I don't get home much anymore, so I was very happy to be able to be home — to attend the official opening of the Upper Skeena Recreation Centre, an incredible, incredible facility in Hazelton. It's serving, as I said, the Upper Skeena and many First Nations communities.

I do want to say that it took an effort of the provincial government, of the federal government and of First Nations — an incredible variety of people on the organizing committee that were able to get this done, between a hereditary organization, a First Nations organization that represented band councils, various municipalities and the provincial and federal governments.

I do want to give credit that, while I was a member of the opposition, the then Transportation and Infrastructure Minister in the previous government was very helpful and made his staff very available for me to be able to access on behalf of that project.

We were able, then, to take the project over the finish line after we became government. We had an official opening — an amazing building, an amazing facility. It's a health and wellness centre, in other words, for the community. A lot of pride is now part of that building. Buildings sometimes are simply buildings, but in this sense, it's an amazing facility.

I also want to say a shout-out to the Hazelton Wolverines, the hometown hockey team. They've been sold out the last three games because of the new facility. Everybody wants to come and see it, even people from neighbouring towns like Smithers.

The point, as far as Bill 36 goes, is that there are now operating costs associated with this facility. This was anticipated, obviously, but the ability of the First Nations communities to contribute to those operating costs is limited. Of course, the ability to have property taxes is not available through that regressive piece of legislation, the Indian Act.

[5:25 p.m.]

The funding, for instance, is now available on a year-to-year basis without having to take it away from other sources of funding. The communities that surround Hazelton, First Nations communities, may simply decide to use a portion of that to support the

operating costs of the Upper Skeena Recreation Centre, which is well used by all the communities in the region, including many First Nations communities.

That's not simply a health issue, which it is, having a safe, healthy place to go — there's basketball courts; there's the ice arena — but also an economic driver. Now there's a place for conferences to happen, to bring in entertainment. There are just all sorts of incredible spinoffs of the kind of funding now, the year-to-year consistent funding that the flowing of gaming revenues to First Nations will provide. This would be a good example of how communities might decide to use that. The repercussions of this Bill 36, in a positive sense, are endless.

There are also many First Nations communities in the constituency I represent that have infrastructure deficits. Now, I know some of the members on the opposite side have brought up trying to drive divisive wedges between First Nations and non–First Nations communities by saying: "Well, doesn't this mean that other non–First Nations communities won't have as much funding for their infrastructure needs as First Nations communities if Bill 36 passes?" Well, no, not at all.

I want to point out to those members who were speaking along those lines that the northern capital and planning grant that we announced, the Premier announced, of $100 million to communities across the north was an extremely welcome contribution to those communities across the northern corridor. It put into municipal coffers millions of dollars that they can use for infrastructure needs.

It's not simply that we as a government are enabling the transfer of money from gaming revenues to First Nations as a continuing funding stream for infrastructure projects. We're also dealing with the infrastructure deficit that was left for municipalities across the northern corridor, from Prince George to Kitimat to Prince Rupert, by creating the northern capital and planning grant. So we're covering many, many bases.

The other area on infrastructure that all members of the House might not be as familiar with is the infrastructure in First Nations communities when it comes to things like roads and road maintenance, dust issues. These are areas where First Nations may decide to use that money to augment other revenues in order to create a safer, healthier community where dust is not such an issue. It can be a huge issue to people with respiratory situations or young people who develop respiratory ailments because of the dust.

Of course, we know that many of the houses in First Nations communities are substandard, with mould issues. With black mould, the respiratory issues can be exacerbated by dust outside of houses. That's, again, where I'm so proud of our government taking the bull by the horns and addressing housing issues, not just off reserve but on reserve as well, with our housing initiatives that have led directly to additional safe, clean housing being built on reserve.

Bill 36 is something that's long overdue. It's going to be enabling approximately $100 million per year from the provincial net gaming revenue to flow to eligible First Nations, as I said. The eligibility requirements are very straightforward as far as how the funding criteria are established, and the application process is very straightforward. The ways that the money can be allocated are really dependent on local leadership and local needs in the communities.

[5:30 p.m.]

[J. Isaacs in the chair.]

We expect that over the course of this agreement, the 23 years, about $3 billion in revenues will be shared with First Nations by 2045. Again, the long-term nature of the funding arrangement really enables First Nations to partner on projects, private projects as well. There are many economic development projects that have been brought to First Nations and brought up by First Nations. Almost always what the barrier is, is a lack of capital — a lack of own capital to create business partnerships. This kind of funding will enable First Nations to have the consistency and to create those partnerships.

I want to wrap up my comments on Bill 36, the Gaming Control Amendment Act, by saying that this is something that's long overdue. It was something that First Nations had advocated for. Judith Sayers, for instance, advocated for years on this and was recently quoted in the media as saying that it's about time it happened. It didn't happen under the previous Liberal government. It's happened across Canada in many different provinces.

It's happening now under our government, under Bill 36. It's going to be a simple application process. It's a simple criteria as far as the funding formula goes. It can be used as communities desire. It's a step forward in reconciliation, and it's a step forward in the way things should be and the way this government understands the best relationships that can be with First Nations.

D. Ashton: It's a pleasure for me to have the opportunity to rise today to speak to Bill 36, the Gaming Control Amendment Act, 2019.

As a kid growing up in Penticton, whose parents always did their best to ensure fairness and equity any way that they could…. They brought up not only myself but my two sisters, also, to ensure that. Many in this House have heard me say this. Don't ever walk in front of somebody. Don't ever walk behind them. Walk beside them for the opportunity for both into the future.

I'm very, very glad to see policies that are coming forward aimed at advancing reconciliation and creating opportunities that are going to make life better for all. There isn't a day that I wake up…. I am, I'll say, unfortunately one of those people that get up

at an ungodly hour in the morning and get all the things that I need to do done before the phone rings or before I have to do something else on the farm or something.

There isn't a day I don't wake up and look out on the incredible vistas that many of us share here in British Columbia, and I'm fortunate to have those vistas in the Okanagan. To realize what my parents created and what I've tried to create for my children and the opportunities that are given to each and every one of us and how sometimes those opportunities haven't flown in the other direction to the First People of the Okanagan, a group of individuals — or nations, now, as what we like to refer to — that have so graciously shared the incredible lands that I call home — i.e., the Okanagan. How they have shared those lands and how we, maybe some of us that came a little earlier than the vast numbers that seem to be moving into the Okanagan, moving into the areas around Penticton….

Maybe many don't know that Penticton is a Syilx name that stands for "a place to stay forever." There are so many people now that are moving in and realizing the efforts of not only the municipality of Penticton and the surrounding regional district but also of the efforts that take place through the Osoyoos Indian Band, the Penticton Indian Band, the Westbank First Nations and, I'll come to the west a little bit, the Lower Similkameen and Upper Similkameen — how progressiveness has spawned investment and has spawned opportunities on their lands for the people of those nations. It makes such a difference to see — my witnessing of what Chief Louie has done for the Osoyoos Indian Band to the south.

[5:35 p.m.]

Then, listening to my peer from Skeena, I wish…. I know lots of us that aren't in the House today are probably listening or having this conversation in front of us in our offices, on the TV. But to hear from a gentleman that was so fortunate to be able to see his nation be able to turn around, with not only the influx of money that is coming in now but the hard work of his council to ensure that the members of that nation have the opportunity that they couldn't dream about ten or even 15 years ago. Now that opportunity is presenting itself.

It's something that we, collectively, in the peoples' House, the Legislature of British Columbia, should always keep in mind. It is being proposed here in the way of advancing additional reconciliation and creating opportunities. It's a distribution of some of the gaming wealth that is taking place.

One thing I would like to say, in fairness and equity, that has come up…. The Penticton Indian Band, under Chief Kruger, was able to negotiate with the city of Penticton a substantial annual revenue coming forward from the city of Penticton, from the gaming revenues that they receive as a host community, but also from the people that run the gaming facility in Penticton. All of a sudden…. I take a look at this, and I

hope there is a balance that takes place in the distribution of these resources that are coming from gaming revenues.

I, too, am an individual that doesn't like a lot of red tape, that doesn't like the opportunity that is given to bureaucracy sometimes. I, personally, would like to see this money flow directly to the bands, directly to those nations.

I say that word "nation." It actually kind of brings gladness to me. I heard a young lady speaking. There was a discussion about the past, and she said: "We are many nations." I've never forgotten that — ever forgotten that opportunity that is now being given to those original people of British Columbia. But how they look upon themselves…. They don't look upon it as a band anymore or a sect of a group of the firstcomers. They look upon themselves as a nation.

I think what we need to do is we need to treat them each as a nation. We need to give them that opportunity. To vet or fetter that money through other bureaucracies…. I would just personally like to see it go and be distributed fairly and equitably. I hope that in hindsight — and the discussions that are taking place in this House today and will probably take place in the committee stage — maybe the government will have a second thought about how to distribute this money, and maybe they will agree that it would probably best be served for all if it goes directly to the nation.

You know, as revenue agreements go, it's going to good places. We take a look at what has been spoken about, not only by the government but also by some of my peers here in opposition about the needs of child care, of housing, of economic development. Again, I look at why there must be a partnership involved in this, first of all. Why can it not go to those people that know what's best for their own people?

I relate back to what the member for Skeena said about the trials and the tribulations that his council had when, all of a sudden, the money started to flow in. But the real trials and tribulations that they had before, that they had the opportunities that have been presented to that nation….

There is so much that lags, when we look at the development that many of us have been fortunate enough to see, and, unfortunately, what bands haven't had and nations haven't had the opportunity. There is so much that can be done. Let's ensure that it's done to the full amount of money that should go to each and every one of those. The Minister of FLNRO gave the percentages that are going to be a distribution factor on it. But let's just make sure that 100 percent of that distribution percentage goes to each nation.

[5:40 p.m.]

There are opportunities throughout British Columbia. You don't have to be a band or a nation in the Okanagan to enjoy the benefits of additional funds. Additional

funds are something that, I would say, every First Nation, whether they need it or not, can put to good use. I'm glad to see that there are funds now. I'm very pleased to see that it is going to be specific over a locked-down period of time. It's not a year-to-year funding.

I know that there will be others on the other side that say, "Well, that's what we've been asking for all the way along," whether it's an arts council or a boys and girls club. They said: "Give us an opportunity of long-term, defined funding." The government has stepped forward with some of these funds for the nations and specified it. I hope, in the future, that they would also consider that that opportunity persists to those that look at gaming revenues to help those in their various communities and give them specific tenure to funds over a specific period of time.

We've talked in this House on numerous occasions about what the development of LNG, liquefied natural gas, is going to do, not only to the north and not only to the coast. I take a look in the community that I call home, and I took a look at what happened in the oil sands in Alberta. Many businesses and manufacturing facilities in my area were involved in that and the wealth that it created. Not only people leaving the community that I live in to go work in Alberta, but I took a look at these businesses that were able to prosper and to hire more and more people.

Now, with what's transpiring with LNG, I know people from bands that are working in the north at this point in time, facilitating that. That money is coming back home with their families and giving their families the opportunity of consistent income, which makes a huge difference to each and every one of them.

I know that the opportunities that were presented by the previous government in economic and reconciliation agreements with First Nations, and strategic engagements, have made a huge difference. I only hope that that is carried on in perpetuity by whoever sits in government in this House — that it enables the First People of the lands here in British Columbia to share the benefits that many, many of us have enjoyed in our lifetime and to be able to share in an equitable way.

It has been a big and large learning process just to be able to sit in here this afternoon and to hear the differences of opinion that have come from opposition and the differences of opinion that have come from government. But one common denominator is that we want to see everybody in this province progress. Many of us, if not all of us — and I should really qualify that as saying all of us — want to see it go forward where that progress is equitable for all. We don't differentiate between anybody in British Columbia. We all progress at the same rate so that we can all enjoy the benefits that this incredible province has to offer.

There are still obstacles, unfortunately, in communities. That one-size-fits-all approach, I think, again…. I've asked that the government consider re-addressing the need and how these funds are distributed.

One size is not going to fit all, as it doesn't just within the nations in my area. There are those with more prosperity, those that got off the mark a little bit quicker, those playing catch-up, those that are sharing their wealth. And they're not only sharing it amongst the nation, sharing it in the communities, you know, because the opportunity is presenting itself. When people have disposable income, that gets spread everywhere in the community and in the area, and it makes a huge difference.

There needs to be a real long-term focus. I'm glad to hear the number of years that the government is proposing for this to last, but what we also have to do is ensure that, as we march forward, that isn't changed by progressive governments in the future and that we make sure that what is said today is instilled and continues to be in place for the years of the proposal.

[5:45 p.m.]

The opportunities, again, that working together and reconciliation will bring to this province, not only in the eyes of those that live here but also in the eyes of those that look upon B.C. with envy and also for those that come to this incredible province for what we have to offer, are going to make a difference for each, and everybody, in this province.

I look forward to the next little while, here in this House and through the committee stage, and maybe some redress on the bill where we can work together and pass this legislation in a unanimous way. Thank you very much for the opportunity to speak today. I look forward, again, to hearing from my peers on both sides of the House on the ideas going forward with Bill 36.

S. Chandra Herbert: It gives me incredible pleasure, I must say, to speak in support of this legislation, and I'll tell you why. Shortly before I was elected, in 2008, was the first time that I was aware of a strong push from Indigenous communities, from First Nations leadership, to get access to gaming funds from the province of British Columbia, back in 2007. I'm sure it probably wasn't the first time.

Clearly, the decision of former governments to not allow Indigenous communities to have access to gaming funds, in my mind, is racist. I'll just say that. It's a loaded term, and people may get all concerned about it.

Previous decisions to say that a city or a town had access to gaming funds but that a community of similar size that's based in an Indigenous community did not have access to the funds, to me, was a race-based decision and one that is clearly not supportable if you believe in the equality and equity amongst individuals and that we're all part of the human family. Unfortunately, that decision to ban, to discriminate and to keep Indigenous people from having access to gaming revenue continued for a long time.

In 2007, there was a concerted push by leadership of Indigenous nations across this province to get access to gaming revenue like the rest of British Columbia already did, like Indigenous nations across most of the rest of Canada already did. That was not heard. That message was repeated year in, year out, year in, year out, until today. In 2012, it wasn't heard, 2013, 2014, 2015, all the way to 2019. That's 12 years since I first heard the call in 2007 — I wasn't even an elected MLA yet — that this was something that Indigenous leaders were in need of and wanted for their communities. But that didn't happen.

To me, it illustrates the importance of elections. It illustrates, to me, the importance of electing parties that will listen to calls for equity, for equality, for reconciliation, and listen to the words of Indigenous people across the province. When, in 2007, First Nations leaders called for these investments from the provincial government, they called it "the single most important action" the provincial government could take to ease First Nations poverty and begin to close the economic and social gap for all First Nations.

Now, this was 2007; here we are in 2019. Only now, 12 years later, are we getting action to address what, at the time, was called the single most important action to address poverty and the economic and social gap that affected all First Nations in British Columbia. So I'm pleased.

I want to thank the Attorney General. I want to thank the minister responsible for gaming and the Indigenous Relations Minister — in fact, the government and the Green Party. Most importantly, I want to thank Indigenous leaders for not giving up, for standing up, for their community, to a policy that was frankly, in my mind, racist and one that caused division. It didn't unite us as a province. It was a race-based policy that had no place and has no place in our society today.

It disappointed me to hear this policy change, this legal change, called, by the former Minister of Indigenous Relations, "paying off friends." That, to me, completely downgrades, degrades, insults all those that have spent so many years trying to get this changed because they know it will make a big difference in their communities.

[5:50 p.m.]

Now, I'm not going to tell them how they should spend that money, because that is their business. It is their business. They have said, through the First Nations partnership, that their plan is for the money to go to health and wellness, infrastructure, safety, transportation and housing, economic and business development, education, language, culture, training, community development, environmental protection, capacity-building, fiscal management and governance. That's been the discussion of where this money will go. It's not an inconsiderable amount of money. It's $100 million per year of money that is going into Indigenous communities that wasn't there before.

Other Indigenous communities across Canada, other nations, did receive funding like this. In B.C., under the former B.C. Liberal government, they refused, again and again, to do anything to provide this investment in communities while continuing to give it to other communities. Until, of course, there was the whole debacle of them cutting gaming funds by 50 percent and on and on. We've gone down that road before, unfortunately, in this province, under the former government. While they cut gaming funds to culture, arts, health, etc., they continued to refuse to give any gaming funds to Indigenous nations. It was wrong then, and that's why I'm so happy this is being corrected today.

Now, we might understand why the former government refused to do these things if we hear the words of the former minister responsible for Indigenous relations. He suggested this money could be just another government cheque. He said it wasn't a good way to build an economic future in communities. He's dead wrong. He was dead wrong when he was the minister, and he's dead wrong now that he's on the opposition side.

I don't understand how you build economic development in a community if you don't have money to support health and wellness, if you don't have infrastructure, if you don't have economic and business development, if you don't have education, language, culture and training, if you don't have environmental protection and if you don't have fiscal management. All those are things you need in order to build a strong community and a strong economy for your people. If you don't have the money to do any of those things, how do you start?

So no, I don't see this as another government cheque. In fact, this money is going to be decided upon — how it gets sent out and how the money is spent in communities — by Indigenous people themselves. It's not the paternalistic big government making these decisions in terms of how money is spent. It'll go to the people themselves in their own communities. They'll be able to make these decisions.

I think that's the right way. It's not paying off friends — a disgusting allegation from the B.C. Liberals. This is about helping people. This is about giving them chances and choices to build their own futures. This is about dealing with a racist policy that said: "No, you can't get access to this money, while the rest of British Columbians who are not Indigenous do have access to this money."

I hope the member might reconsider his words, but I won't expect it, as that, unfortunately, has been a history in this Legislature. We don't have to talk about the racist referendum which the B.C. Liberals put forward, asking whether Indigenous people had rights at all. It's pretty self-explanatory that that's not acceptable, but it is their history.

Gaming grants, gaming money, can be used to do incredible things. I know it's already being used to do incredible things. An earlier speaker spoke about how this

money was being used, I think, west of Prince George, by a local nation to build housing for the first time in 30 years. It's pretty hard to have a good economy and a good future if you can't have housing, if the housing that you have isn't acceptable and is not a standard to live in. It's pretty hard to build a future if that is something you do not have. This money is going to build housing now in communities across British Columbia, and it's making a difference.

Hon. Speaker, I think this legislation, as you can probably guess, is long overdue. We should have done this a long, long time ago. We should have done this when Indigenous people first pointed this out as a glaring inequality, as a glaring case of putting one community above another. But we're doing it today. We're doing it today because it's the right thing to do, and it will help people.

It's not about choosing political favourites. Sometimes the accusations that get thrown at us reveal a lot more about those who are accusing. If all you can do in your own life….

I won't go down that road, because I like to think the best of people. It hurts me when people like to think the worst of others.

[5:55 p.m.]

I'm trying my best. Based on the history that I've had in this House and based on what I've seen in communities and what I've seen across British Columbia, this is the right thing to do. I want to thank Indigenous leaders for making that case. For putting up with the racism. For putting up with the stuff that bulls excrete for far too long. They shouldn't have had to do it in the first place, but they've had to.

We're getting a change today, the right kind of change that we should have had so long ago. I want to thank the ministers. I want to thank the government. I want to thank the Indigenous peoples. It's their voices that should have been heard long ago, and it's their voices that required action long ago.

Inequality should not be allowed to stand. Racism should not be allowed to stand. We must move forward in this journey of reconciliation and put the us-against-them rhetoric that some decide to dip down into still far, far behind. There's no reason to go that route when we know we're so much richer, so much wealthier and such a better place to live when we do these kinds of things together and when we don't set up those false divisions.

B. Stewart: I haven't had the opportunity to listen to all the speakers on Bill 36, but I do want to talk about some of the fundamental issues that I think this side of the House, as well as the government, wants to address.

I can't help but…. Some of the comments the last speaker made about racist remarks and the fact that we don't care about people I find more offensive than the record that…. Our government has tried, and it's not an easy solution. As we know, it's not a quick fix or a quick win in terms of being able to make things right and in terms of making First Nations whole.

I was pleased to hear the Minister of Forests, Lands and Natural Resource Operations talk about his community. I happened to visit his community when I was minister and meeting with his local community. As a matter of fact, they were part of Hockeyville, and it was their goal to be recognized and get some investment in their arena. I can tell that this Upper Skeena Rec Centre, which is a significant improvement and investment in that community, will pay great dividends for both First Nations and non–First Nations in that community.

I think that that goes to the heart of what it is that governments are trying to do with First Nations across Canada. The idea of equality is something that has been a very difficult and challenging goal and aspiration for many federal governments and, as well, many provincial governments.

I think back to when this government was first elected, or elected, in the early '90s. They reached the Nisga'a treaty, and I had the opportunity to travel with the Chief that signed that treaty. We talked about the struggle to get there and the incremental improvements to changing fundamental flaws that we have that exist in Canada. Some of it is solved by money. Some of it is solved by changes in statutes. There's a lot of confusion about that. There is no simple path to making things right between First Nations and non–First Nations.

In British Columbia, we have 203 identified First Nations, which come in all different sizes and shapes and communities, whether it happens to be ones that are in the Lower Mainland in Vancouver…. We certainly hear lots about the ones that are extremely well off just because of the fact that they happen to have reserve or treaty lands that are in and around the Vancouver area. Whereas there are other ones, such as I mentioned up in Hazelton…. There's far less opportunity there.

What is it that we are trying to do here? What we're trying to do is deal with, as the minister said, a regressive Indian Act, the things that are, really, not very constructive in helping and in dealing with the fundamental issues, whether it's health or infrastructure. We hear about it even in this federal election that's taking place today, about the vast sums of money to bring drinking water in many communities across the country up to a standard that meets the Canada water standards, which I know even many of our municipalities and regional districts struggle with every day.

[6:00 p.m.]

We just had UBCM and were talking about tens of millions, in many cases, and hundreds of millions, in other cases, of infrastructure money that's being poured into making certain that communities have safe drinking water. Everybody deserves that right.

I think that the issues and what we're talking about with Bill 36 are something that is trying to address things. But I don't know in the sense that I don't…. Actually, the question I really have for the minister and the government is the consultation — that we obviously were unaware of a consultation, perhaps a little bit like a consultation that we know didn't take place on mountain caribou. And we have many communities that are struggling with the impacts in terms of the resource sector.

In this particular case, we have an agreement that was signed in the summertime. And I know that the government has made it a priority and a commitment to First Nations — whether it's through the all Chiefs summit or whether it's actually been something where they have committed to groups like the all nations summit or the Union of B.C. Indian Chiefs and the Assembly of First Nations — about trying do something that is proactive in moving that ahead.

I think the question that has been raised by members on this side of the House is…. We know that the communities come in different shapes and sizes, and I guess the partnership, as it's described, doesn't really describe in any shape or way or form as to how there's an equality in this. Now, I don't like to suggest that there have been inequities in terms of funding, but lots of money has gone to First Nation communities and through organizations where perhaps maybe there's no level of accountability. Or the rules governing the way that the funds are to be distributed or whatever are left to the people that are running those organizations. I think that that's a question that needs to be answered.

I mean, at the end of the day, we want the money to get in the hands of people that are in these communities, for all of the items that are mentioned in terms of the areas where this money can be invested: health and wellness; infrastructure, safety, transportation and housing; economic and business development; education, culture and training; community development, environmental protection; capacity-building, fiscal management and governance. Those are admirable goals.

One of the things I did hear earlier from the minister was that he mentioned, or I thought I heard him mention, that the cheque went out last week. Although the agreement might be signed, I'm a little bit surprised, and I'd be questioning how, without this bill being actually passed, this could have taken place. I'm sure that the Minister of Finance probably has ways of answering that.

I do think that one of the concerns that I have in the partnership is that an ill-defined — or maybe yet to be defined by the government…. How the administration of this…? I mean, who's paying for the administration? It costs B.C. Lotteries money to

administer the community gaming grant, so there is a cost. What are the limitations on that, and who defines what that is?

I think those 203 First Nations often are underrepresented in the organizations that have support for many First Nations, but their processes are not the same as what we would have in terms of our own democratic system, in terms of the accountability that I speak to. I think that those are things that are either ill-defined or undefined and should be considered when Bill 36 is actually brought into law.

I think the other consideration about consultation is that there are another almost five million British Columbia citizens that represent the non–First Nation population in this province that haven't had a chance to have, necessarily, their say in it.

[6:05 p.m.]

Now, the member for Vancouver–West End had suggested that that's why we have elections and that this is a priority, and he's right. But I think the situation, when it comes to something that was set out with B.C. Lotteries, was that it was going to be spent.

It's currently…. I mean, even in my own community, I see a grant just recently that went to a First Nation parent advisory group in one of the schools. Although it's a First Nations school that's open to…. Well, priority is First Nations and secondarily to non–First Nations. It just had a very substantial upgrade.

I think the situation is that people…. It's my understanding that they have not had restrictions in being able to access funds through the community gaming grants or not excluded. Maybe not for the same…. I know the community gaming grants don't list the six or seven areas that are listed in Bill 36 here as being the priority items. So I do think that that's a benefit.

No doubt, they have massive amounts of issues that we do address with municipalities through direct grants, either through UBCM or other gas tax sharing and other things like that that go back into those communities.

I do think that it may be a step in the right direction, but I still think that the issues around the accountability, the situation with the partnership in terms of the definition about who are partners within that group, and what does a small First Nation…? How do they get their voice heard in amongst all 203 First Nations, as well as the three large groups, the ones that I mentioned, that are part of the limited partnership?

Our government — one of the things that I think…. Recently this government signed a deal with LNG Canada. There are a lot of community benefit agreements, both First Nations and non–First Nations, that are benefiting from that. Those huge amounts…. Even the member for Skeena was telling me the other day that, you know,

their big issue is actually having enough people to execute on all the things that they do. They have lots of resources to fill in all of these gaps that they've struggled with for many years, but that doesn't mean that other First Nations or most First Nations aren't struggling with some of those challenges.

I think the goal in this should be that we can't forget about the fact that it's a series of priorities in terms of trying to make First Nations whole. It is not an equal system, because we have the Indian Act. It is regressive in a lot of ways, and we need to find better ways to work with the federal government in getting First Nations to what we believed was a solution, which was through the treaty process — the Tsawwassen, the Yale First Nation and other treaties that we were able to sign during my time as being a member of government.

I look forward to some of the answers from the minister as we go through the discussion and the reading of this bill in answering the issues around accountability, how we make certain that this is fair and make certain that the money is getting down to the communities where it really is needed — the priorities, etc. Who's setting that standard? I think that those are the important things.

I will take my place in the House. I look forward to continued debate on this, this evening, as well as into tomorrow as we move into, hopefully, the next stage on this bill.

J. Rice: I'm happy to rise today to speak to Bill 36.

Our government is proud to introduce the Gaming Control Amendment Act. The act will entitle B.C. First Nations to a portion of the B.C. Lottery Corp.'s net income for 23 years. Now, why 23 years? Because we've actually made a 25-year agreement and have already fronted the first two years of that funding.

This act will increase the maximum number of directors on the B.C. Lottery Corp. to 11 to facilitate the appointment of one position for a First Nations nominee.

[6:10 p.m.]

This will create a reliable long-term revenue stream for First Nations as part of our commitment to reconciliation. And I say a part of our commitment to reconciliation.

It will ensure that First Nations have a stable, predictable source of income to fund economic, social and cultural activities that directly benefit the people who live in their communities. Each First Nation can use the gaming revenue to support their own priorities, like enhancing social services, education, infrastructure, cultural revitalization and self-government capacity. Now, we've already transferred nearly $200 million to the newly formed B.C. First Nations Gaming Revenue Sharing Limited Partnership, providing the first two years of shared gaming revenue, as I just mentioned.

For those that are concerned about how this impacts the gaming revenue-sharing we have with local governments, well, it doesn't affect local governments. The new gaming revenue-sharing arrangement doesn't affect what community groups will receive and municipalities that have casinos or gaming centres in their communities that they host.

It was over a decade ago when I think First Nations in British Columbia started lobbying various provincial governments for a portion of the gaming revenue. Other provinces — Ontario and Saskatchewan, off the top of my head — share gaming revenue. And British Columbia? Well, we're kind of late on the page to sharing our gaming revenue.

It was in the early 2000s that First Nations actually described the plan to share revenue as the single most important action the provincial government could take to "ease First Nations poverty and begin to close the economic and social gap for all First Nations."

Now, the member for Skeena spent quite a bit of time talking about how offended he was at the term "closing the economic gap." I just want to point out that these were words that Indigenous people had used themselves to actually describe their current situation. These aren't our words. These aren't the provincial government's words.

This agreement is expected to provide First Nations with approximately $100 million per year. That's factoring in an expected 2 percent annual growth rate. The province expects to share around $3 billion with B.C. First Nations over the term of the agreement.

One of the things I wanted to point out, because it's really relevant to the Indigenous communities I represent in North Coast, is how the breakdown of the sharing formula works out. Participating First Nations can obtain their share of the gaming revenue based on the following formula: 50 percent base funding divided equally per community, 40 percent based on population and 10 percent for geographically remote communities.

These funds may be used by individual nations for health and wellness; infrastructure, safety, transportation and housing; economic and business development; education, language, culture and training; community development and environmental protection; and capacity-building, fiscal management and governance. So there isn't really anything that this funding can't support.

This agreement aligns us with other provinces, such as Alberta, Saskatchewan, Manitoba, Ontario and Nova Scotia, which already share gaming revenue with First Nations.

Now, the member from Skeena also mentioned that we hadn't consulted with the federal government, when in fact the federal government was actually quite surprised and shocked that we weren't already sharing provincial gaming revenue. And no, it doesn't impact the funding that First Nations will receive from the federal government.

First Nations have been demanding equitable funding for decades. The members for Skeena as well as Nechako Lakes talked about dependency. The member for Nechako Lakes referenced Calvin Helin's book, *Dances With Dependency*. I agree that it is a well-written book. However, I don't see how sharing gaming revenue, which is essentially providing equitable funding to allow First Nations autonomy over their own priorities…. How does that create dependency? In fact, I can't believe that the B.C. Liberals are opposing this and are speaking so negatively about this step.

[6:15 p.m.]

They've spoken about paternalism and how offensive this is in the face of reconciliation, which I actually find pretty offensive. You know, what's paternalistic is an inequitable, top-down, clawback-ridden contribution system that's been in place for decades. That's what's paternalistic — what First Nations have been facing for decades.

The member for Skeena talked about asking for money and how that was degrading and how humiliating that was, especially when you think of the concept that most of the revenues probably came from the territory in the first place. I absolutely sympathize with that statement. Here we are, a colonial government. We're making a decision in this Legislature on how we share gaming revenue, which is essentially money earned from the land that we stole from Indigenous people.

The fact that we actually have to have this debate is really, really troubling for me. Really troubling for me. It should be a bill that is easy to pass, because it's actually a really, really small step in the face of reconciliation.

First Nations have been advocating for shared gaming revenues for years, and in my opinion, that should be enough to guide the actions of this House. Settlers who created our own colonial systems are not the thought leaders on the way forward to reconciliation. So the member from Nechako Lakes offering that we are paying off our friends or that we're somehow creating dependency — I think that is what's really offensive.

Settlers created this system, and reconciliation is about standing with First Nations. It's about standing beside them, taking actions that enable First Nations to reclaim their own agency. That's what matters. And if First Nations have been talking and telling the government the same thing consistently for years, it's a pretty good bet that this is a step in the right direction. We should all be voting in favour of this bill.

S. Gibson: A pleasure to rise here today in this, the people's House, on behalf of my constituents of the Abbotsford-Mission riding, probably one of British Columbia's finest ridings — unbiased, of course.

I'm pleased to be here to speak to this Bill 36, the Gaming Control Amendment Act. I want to acknowledge, first of all, the excellent presentations by my colleagues who preceded me here: the member for Skeena, in particular, because of his intimate knowledge of this community and some of the implications of what is transpiring, and the member for Nechako Lakes — I might point out that he served, when we were in government, as the Minister of Indigenous Relations and Reconciliation, so he has a special knowledge and understanding of some of the implications that we'll be bringing forward as the official opposition, some of the concerns that we have noted — and also the member for Penticton, the member for Kelowna West and, kicking things off, the member for Richmond-Steveston.

It's always controversial, really, in some parts of our province, even to begin with a discussion of gaming, which of course is a euphemism for gambling. I know in my community, out in the Fraser Valley, there's always been a suspicion of gambling and its benefits to the province. I think we've seen folks, from time to time, that have crossed our paths who have, perhaps, become overly fond of gambling to the point where it's affected their family life and, indeed, their own personal approach to life, sometimes with dire consequences.

[6:20 p.m.]

Also, I've seen elderly people with limited means buying lottery tickets and looking very distraught as they scratch them off and find that they have nothing to show for their limited investment. Nonetheless, I don't want to belabour that, other than to say that anything we do in this House related to gambling sometimes can have a dark side.

I might point out, as well, that the formula, the manner in which we distribute funds from gaming, is really vicarious in many ways. I say that because people who are given to gambling — we don't judge them, but it's part of our culture and our lifestyle in this province — don't go out to gamble and say: "Well, I'm going to be supporting this particular charity tonight as a result of it, or a particular sport." As you know, gambling came in a number of years ago and has kind of taken off.

Gaming does support a lot of important social and cultural causes in our province. In fact, commercial gambling, according to the information I have been provided, in 2014-2015, generated some $2.9 billion. Clearly, it's an important economic driver in our province — a lot of funding for all of us. As MLAs, we've called constituents who have been awarded various funds through the gaming grant system. Clearly, all of these folks are very pleased to have made applications. Sometimes these applications are extremely rigorous. But that's all for a good cause.

A few remarks to add onto those made by my colleagues. Again, I appreciate the work that has gone into this. The act itself, actually, is really quite cursory. Some of the questions that we're inquiring about — the official opposition, to government — really are silent here. I'm sure that we'll have more clarification in due process.

One of the queries that I would have is: who will administer the funding? It's not entirely clear. There is some sense on this side of the House that the more direct the funding to the various First Nation communities throughout our province, the more likely the benefit will accrue more widely and with more trust, you might say. We notice that that is something that is somewhat vague, perhaps. There's some thought that it might be better to go to the band councils, who are closest to the various communities. But this would be something we'd like to pursue.

How will the distribution of these funds be made? We probably would like to find out more about that.

The application process. How will that be administered? Is there going to be some kind of documentation, forms, on line? Given that this is a significant, significant provision of funding to our First Nations communities, it would seem that there must be some fairly detailed application process. This has not been really enumerated or outlined in the documents that have been brought forward. It's unclear as to how the various First Nations communities will meet the criteria and allow the funds to be dispensed to them.

My question also relates to how the various bands were consulted. I'm not clear on that. This is something that would be helpful. With greater consultation, it's likely the more successful this enterprise will be.

What about the criteria? What about the consistency? My understanding is that there are certain communities that, perhaps, would not even need the funding, given their economic viability.

[6:25 p.m.]

Some, particularly, that have been identified in the Lower Mainland here, the North Shore, are functioning very well and are economically healthy, if I can use that expression, where others, perhaps in more remote areas, would significantly benefit. I'm wondering if that is going to be taken into consideration. Or is there going to be just a blanket approach?

Now, the word "partnership" is used in the act, but it's not really quite clear what that means. I would like that to be explained more clearly. A partnership tends to imply equality on both sides. I don't think that's the case here, but I'd be open to hearing more information about that, if that would be salient. The equity of the disbursal of the funds would be required.

Also, what measure of research will be needed? Presumably, there's some kind of body that's going to research the expectations or needs of the various communities. There's no mention of that. It would seem to me that without some level of research, funds could be discriminated in a very haphazard fashion. As a matter of fact, there may be funding going to communities that don't even need it or that certainly don't need it at the same level. If this is going to be something that is enduring — as we know, it's over two decades — it would seem to me that the criteria should be acknowledged. Of course, with 203 nations, there's going to be a lot of research required, in my view.

One of the sort of foundational questions that one might ask is: why pick gaming? Why was that picked? Why not, say, some other means? Why not from general revenue or with funding from some other agency? Why was gaming particularly selected?

Now, one of the concerns that has been articulated by others is that there are currently significant gaming revenues accruing to a huge variety of social organizations, sports and others throughout our province. The lament, the worry, is that with this formula, perhaps they will receive less funding. As a matter of fact, this formula is supposedly very consistent — the 7 percent figure. But will the other agencies receiving the funding year after year receive a similar kind of formula? Or are they going to be cut back?

I noticed this year, as I was phoning a number of people in my own riding who receive funding, that some of them are receiving less than last year. It's not clear why. When I asked them if they would know that, they said no, they didn't know. This formula seems to be fixed. I'm wondering if the formula for the other folks that are the beneficiaries of the gaming grants will also be fixed. I'm not clear on that. If it's not, I think that would be a source of some complaint.

Now, why the figure 7 percent? Why not 6 percent or 8 percent? Where did that figure come from? Perhaps it was done through consultation. Is it because research has shown that 7 percent of the revenue accruing comes from First Nations? Perhaps that's the criterion. I believe our population in our province is around 5 or 6 percent First Nations, so there may be some reason there, but that was never really clarified. That would be something that would be worth examining.

It's interesting, as I kind of did a little reflection on this, that Washington state, which is just down the highway, down I-5 here, has a dramatically different paradigm. As a matter of fact, I was sitting in my office in my constituency recently, and a bus goes by promoting gambling on First Nations…. They don't call them First Nations in Washington state, but they're tribal communities. I'm advised that there are millions and millions of dollars spent in First Nations or tribal casinos in Washington state, just a few kilometres south of where I live in the Abbotsford area and further down towards Seattle.

[6:30 p.m.]

[R. Chouhan in the chair.]

The concern I guess we have is that we've got two sorts of strangely parallel means of raising revenue here in our province, trying to benefit the First Nations community, who do need some consideration, definitely. But at the same time we've got, in Washington state, a whole different paradigm where First Nations communities literally operate huge casinos, generating significant funding from our province.

One of the other points to note is that…. With these recommended changes, will we be providing other supports, or does this operate independently? In other words, is the government going to come to the First Nations community — the beneficiaries of this — and say, "Okay, this is what we're going to provide. That's it," or are there going to be other additional revenues accruing?

Now, the reason I ask this is because this is a very significant allocation of funding. If there are other criteria funding — and I'm not talking about treaty funding, but other kinds of social funding over and above this — it could add dramatically to the funds flowing from the province to the First Nations. I'm not disagreeing with that or disputing that, but I am saying it would seem to me that government should speak about the complementary nature between the funding accruing to the over 200 First Nations communities and also the other funding that would be generated for First Nations. I think it would be useful to have that discussion.

It's been a pleasure for me to speak to this. I think that our side of the House, or opposition, have some concerns. I think we acknowledge that the modus, in many ways, is honourable, and the intention is good, but it's all going to come to the matter of execution and how this will be done in a way that is equitable, sensitive and also acknowledges the balance between the various criteria needed. I'm sure we'll continue to have a good discourse on this as we go through the various readings of Bill 36.

Hon. J. Darcy: I'm very proud to stand in my place to support Bill 36, the Gaming Control Amendment Act. I want to speak to this amendment but also talk about it in the broader context of reconciliation in our province.

As members before me have spoken, this act will entitle B.C. First Nations to a portion of B.C. Lottery Corp.'s net income for 23 years. The first instalments have already been made on that, and very importantly, it will provide a stable, reliable, long-term source of funding for First Nations as part of our government's commitment to reconciliation. This is what this is all about. This is about a commitment to reconciliation because it will ensure that First Nations have that stable, predictable source of income to fund economic, to fund social, to fund cultural activities that will directly benefit First Nations communities.

Each First Nation can use the gaming revenue to support their own priorities. There have been members opposite who have questioned who's going to decide how

that money is going to be spent — questions that are reminiscent of the paternalism that we've heard from previous governments, in this province and at the federal level. What this amendment says very clearly is: it will be First Nations who will make those decisions, whether that's spending it on social services, on education, on infrastructure, cultural revitalization, capacity for self-government.

As previous speakers have mentioned, $200 million has already been transferred to the newly formed B.C. First Nations Gaming Revenue Sharing Limited Partnership, which is the first two years of this funding.

There have been questions raised about consultation. What kind of consultation has happened with First Nations, with Indigenous people, about this? It's really important to note that First Nations have been asking for this since the year 2007. That is 12 years ago. I have only been in this House for six years, but I've certainly heard it at virtually every meeting, virtually every event that I've attended with First Nations in this province.

[6:35 p.m.]

It was back in 2007 when a presentation was first made to the previous government with the B.C. First Nations investment fund. That proposal would have…. They recommended allocating 3 percent of B.C.'s gross gambling revenue directly towards economic and community development initiatives in Indigenous communities. At the time, First Nations leaders were very clear. They described this plan as the "single most important action the provincial government could take to 'ease First Nations poverty and begin to close the economic and social gap for First Nations.'"

That was in 2007. Here we are, 12 years later. Our government is acting. Our government consulted. Our government has listened. Our government, in Budget 2019, has committed not the 3 percent but 7 percent of net provincial revenue from gaming towards First Nations for 25 years.

I think we just need to imagine for a moment what a difference this will make in the lives of Indigenous communities across the province. The questions have been asked: "How will this money be allocated?" Well, it's very clearly spelled out. It's very, very clearly spelled out what the formula will be: 50 percent base funding divided equally per community, 40 percent based on population and 10 percent for geographically remote communities. That's very clear. I don't know why members opposite have talked about the uncertainty about that: "What's the formula going to be?" It's very clear.

Issues have been raised about who's going to make the decision. Again, reconciliation is about self-determination. It's about saying that we support First Nations, and we are prepared to provide the economic means for First Nations to be in the driver's seat. They will decide how that money is spent, but there are six clear areas,

which are also set out, of the purposes that the funding can be used for: health and wellness; infrastructure, safety, transportation and housing; economic and business development; education, language, culture and training; community development and environmental protection; and capacity-building, fiscal management and governance.

Frankly, we're playing catch-up here. Several other provinces are way ahead of us. Alberta, Saskatchewan, Manitoba, Ontario and Nova Scotia already share gaming revenue with First Nations. So we are, frankly, late to the game.

Now, I've been in the chamber here for about the last hour and a half and listening to several members opposite speak to this bill. I have to say that some of the comments that I've heard are very, very disturbing on several scores. The member for Nechako Lakes says this could create dependency — it was the word that was used, "dependency" — on government funding, as if somehow there is an addiction in the First Nations, a dependence on receiving a government cheque. There's been questioning of the capacity of First Nations to make their own decisions, which, frankly, is reminiscent of the paternalism that has been present in these discussions and in government policy for far too long.

There's been reference to paying off friends. This is a commitment for 25 years. This is a commitment that will extend far beyond the current government. First Nations have diversity of political opinions, as does everyone in this province. It is, frankly, insulting to say that this is about paying off friends. It is, in fact, a long-term, stable funding commitment that will outlast, no doubt, this government.

Then, just now, we heard the member for Abbotsford-Mission talking about: "Will this have a detrimental effect on others who might seek gaming revenue?" To me, that's about fomenting division. That's about pitting one group against another. Again, we've seen that for far too long in this province: trying to send a message to non-Indigenous people that they're going to suffer, that they're not going to get as much gaming revenue because Indigenous people are going to get 7 percent of the gaming revenue.

Then the questioning: "Why is it 7 percent?" "Does that correspond," the question was, "to the percentage of Indigenous people in the population of British Columbia?" Well, I would say…. I think that the member who said that has gone now, but I would say to him: what about the disproportionate impact of poverty on Indigenous people? What about the disproportionate impact of racism on Indigenous people?

[6:40 p.m.]

What about the disproportionate impact as far as suicide rates and addiction rates in British Columbia for First Nations, as we all know, as a direct result of our dark legacy of racism, colonization and residential schools? We all know that history. So why would anyone stand in this Legislature today and question why we need to do this?

This is about reconciliation. This is one step. It is a critical step. It's not the only step, but it's a very, very important step. We have seen far too much of the paternalism that we've already heard in this House today, for generations in this province and this country. It's time that it changed, and this legislation is about changing that. It is far overdue for us to say — as a government but also as an opposition — that it's time that we supported self-determination for Indigenous communities and that we support the right of Indigenous people to be in the driver's seat in determining sharing of resources but also determining how that money will be spent.

I also want to talk about this in the context of what our government is doing on reconciliation more broadly. This is one piece of it, but it is only one piece of it, and it's very important to see it in the context of government actions that are planned and government actions that are already underway.

As the people of British Columbia already know, our government will be introducing new legislation that will implement the United Nations declaration on the rights of Indigenous peoples, and that will form the foundation for our province's work on reconciliation in British Columbia going forward. But we're not waiting until that legislation is introduced. We have already been acting. In every ministry in government, the mandate of every minister is to act on UNDRIP and to act on the calls to action of the Truth and Reconciliation Commission of Canada.

I'm so proud. I couldn't be more proud of the actions that various ministries and our government have already taken, whether we're talking about modernizing the environmental assessment process, initiated by the Minister of Environment and Climate Change Strategy; whether it's the action that's already being taken in the Ministry of Children and Family Development, implementing Grand Chief Ed John's recommendations to help keep Indigenous children out of care and with their families and communities. Even more recently the minister has announced a really significant measure to end the practice of birth alerts, which meant that babies were taken from mothers, literally from the hospitals, from their mother's arms.

We've committed over $550 million over ten years for the construction of 1,750 affordable housing units on and off reserve, the first provincial government in Canada to do so. That's about reconciliation as well.

We have dedicated $50 million towards the First Peoples Cultural Council and First Nations communities to revitalize Indigenous languages. We've implemented a new K-to-12 curriculum that makes sure all children in British Columbia are taught the true history of Indigenous people in this country and learn about residential schools and learn about our dark legacy of colonization and also learn about the immense contribution of First Nations people today.

I would be remiss if I did not mention, also, that under the leadership of the Minister of Advanced Education and Skills Training, we have, in British Columbia, the first Indigenous law program in the world — the first one in the world.

All of those measures are about reconciliation. I want to also just talk a little bit about some of the work that my own ministry is doing in this regard. As I've mentioned, it's a central part of the mandate of every minister in government to implement the calls to action of the Truth and Reconciliation Commission.

Our ministry, Premier John Horgan and I, a couple of months ago released something called the Pathway to Hope, which is our road map for building a better system for mental health and addictions care in British Columbia. One of the four pillars of that road map is supporting Indigenous-led solutions to improve mental health and wellness in Indigenous communities. There are a wide range of initiatives that we are already taking and that we will be taking that flow from the Pathway to Hope.

[6:45 p.m.]

All of these actions have been developed in very, very close partnership with First Nations, with the First Nations Health Council and with the First Nations Health Authority. Frankly, everything throughout the entire Pathway to Hope for building better mental health and addictions care has been done in partnership with First Nations.

We certainly do know, and I certainly learned from my first week on the job, that Indigenous peoples in British Columbia have identified mental health and wellness as a key priority through their own planning engagement processes. Indigenous people very much want to be able to reclaim their rich history of mental health and wellness as a priority, as they seek to break the cycle of intergenerational trauma that we have already spoken about. The Pathway to Hope recognizes that Indigenous people need to be — and we need to support Indigenous people and First Nations — in the driver's seat in developing those solutions, in designing and delivering mental health and wellness programs in Indigenous communities.

We have signed a memorandum of understanding with the First Nations Health Council and the federal government to work in partnership — we did this over a year ago — to improve mental health and wellness programs and to achieve progress on the determinants of health and wellness. We're doing that through a very flexible funding approach and partnerships, and as I mentioned already, for First Nations to be able to plan, design and deliver these programs in their communities.

A very critical piece of reconciliation — and everything we're talking about today is about reconciliation — is also about embedding cultural safety and humility across the provincial system of health care, and mental health and addictions in particular.

We have also made a significant commitment to expanding First Nations–run treatment services. This is an area that has been sadly and badly ignored in this province and countrywide for many, many years.

Our government has committed, in partnership with the First Nations Health Authority, $40 million to build two new urban Indigenous treatment centres that incorporate traditional healing and wellness, as well as to renovate and rebuild a number of Indigenous treatment and healing centres in rural communities. This is absolutely critical when we recognize the effect of intergenerational trauma, what that means as far as suicide rates today but also what it means as far as the overdose crisis, where Indigenous people are dying at a rate three to four times the population at large. So making a significant investment in Indigenous mental health and wellness and treatment centres is a key part of our commitment to reconciliation.

In addition, the Minister of Health is working very closely with the First Nations Health Authority on First Nations–led primary health initiatives. This, as we know, is about multidisciplinary teams that, very importantly, will include mental health and substance use professionals.

I'm very proud to speak in support of Bill 36 today, the Gaming Control Amendment Act. It is, I think, a really, really solid demonstration of our government's commitment to reconciliation, a commitment that is shown in the actions of all of our ministries across government and a commitment that will be shown very, very clearly when we introduce legislation that will enshrine UNDRIP in legislation in the province of British Columbia.

Thank you so much. I'm very proud to support this, very proud of the initiatives that our government is taking, and I hope that the members opposite can see fit to support this wholeheartedly. Wouldn't that be a powerful message to send to First Nations and the people of British Columbia: unanimous agreement in this House?

R. Coleman: I have a lot to say about this particular piece of legislation too. I also agree with some of the comments on the opposite side about revenue-sharing with First Nations, which I actually negotiated government to government with the First Nations in many communities across B.C. over the last ten or 12 years, and also was proud of the fact that the first First Nations housing on reserve was actually done under my watch at the Lax Kw'alaams reserve up in northwestern British Columbia.

[Mr. Speaker in the chair.]

However, I will recognize, quite frankly, the time. Noting the time, I will reserve my position in this debate, and I'll be glad to wax on for half an hour tomorrow after question period to give you my full opinions and thoughts on how we could do this well or even better.

R. Coleman moved adjournment of debate.

Motion approved.

Hon. **M. Farnworth** moved adjournment of the House.

Motion approved.

Mr. Speaker: This House stands adjourned until 10 a.m. tomorrow morning.

The House adjourned at 6:50 p.m.

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 41st Parl, 4th Sess, Issue No 273, (10 October 2019) at 10050 (R Coleman), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/41st-parliament/4th-session/20191010am-Hansard-n273#bill36-2R>.

BILL 36 — GAMING CONTROL AMENDMENT ACT, 2019

(continued)

R. Coleman: I'm pleased to continue my debate from yesterday, although it was quite shortened. I'd like to talk about Bill 36 in a number of ways today — first of all, about how I think its implementation, in my opinion, is wrong. I want to explain why that is, as we go forward.

I want to make it clear from the very beginning of my remarks that I absolutely support the intent of this bill to send 7 percent of money to First Nations in British Columbia, to have them use that money within their communities. For me, it's how we go about doing that that is important to me.

I have had the opportunity, in the last number of years, to negotiate government-to-government revenue-sharing arrangements with some of the smallest First Nations in the smallest communities in British Columbia. While in those communities, I've observed some of the things that few people outside of northern British Columbia and other areas of B.C. have seen or understand, other than maybe a small snippet, with regard to conditions for First Nations they might see on a newscast somewhere.

I've been in communities where there are three, four or five families living in a single house, where they're doing that because the amount of money provided to the First Nations to build a house in a remote community isn't enough to build a house — what they get from Indian and Northern Affairs Canada. I've sat and listened to what their difficulty is with the process to actually get funding, to be able to go through a very

administrative process at the federal level, to try to get money for the most basic, basic programs that would be important to those communities.

As I read the bill the other day and as I went through it, I thought: "Well, the best part about this is the 7 percent." I wonder at what the First Nations that I've dealt with — whose communities I've flown into on a grass strip on the Chilcotin, or whose communities I've driven out for 30, 40 minutes on a gravel road, or longer, to get into, to have a visit with them — on revenue-sharing and opportunities on revenue-sharing for their community, with regard to natural resources in B.C.

I've sat in the room with the Carrier-Sekani Tribal Council when they finally came to a pipeline benefit agreement that I negotiated with them and their representatives and their Chiefs. I've seen the tears of joy and happiness that they were allowed to move down the road, where there would be revenue-sharing coming to them, which they could implement into programs in their First Nations communities without conditions, without somebody telling them how to manage the money, but having trust in them to do what is right for their communities. It's because they know their communities better than anybody else.

So as I read the bill, I thought: "Oh no. Here we go." We're now going to control the distribution of the money on a number of conditions and aspects for these folks in these communities.

[11:15 a.m.]

Now, I understand the intent, but you know what? I don't think there's a First Nations leader in B.C. that wouldn't tell you that they'd like to have money for health and wellness; infrastructure, safety, transportation and housing; economic and business development; education, language, culture and training; community development and environmental protection; and capacity-building, fiscal management and governance. Those are the categories that these folks have to stay within if they want this money from the provincial government of about $190 million over two years, and going on for 25, which, by the way, is also a good move.

What I did when I saw the bill was take the opportunity to phone some of the Chiefs of these remote communities, and some of the Chiefs that are on the Lower Mainland of British Columbia as well, that I know. I managed to get through to five of them. One in particular was not so easy, because there is no actual easy telephone communication to his remote village. I happened to catch him while he was in a more major centre where he could take my call.

It struck me, as I had the conversation with a couple of them, that somewhere along the way, we've decided again that another entity, like the First Nations Leadership Council, should be the entity where we send the money to, to decide and determine, maybe by application — although 50 percent of this is supposed to go directly to

communities — that we should somehow control, once again, the self-determination of a First Nation community.

I had the conversations with a couple of Chiefs. The one that struck me the most was one from a remote First Nations community, who, quite frankly, doesn't want to get offside with the folks in the leadership council and otherwise but wanted to give me his opinion, in confidence. I said I would bring up the story in the House. He said: "Fine."

As we went through this conversation, he said to me: "You've done a lot of…. You understand investments and things. You understand housing. What would the equivalent of $450,000 a year for 25 years do for my community?" That is about what their portion would be out of the 203 First Nations in B.C. "What could it do if I could lever that in a relationship with someone like B.C. Housing and the interest rates that they could get for housing in my community?"

I did the math. It's the equivalent of about $10 million in housing, $10 million in this particular community, because you'd be leveraging against the future revenue that would allow you to amortize and do things, and the calculations would also include some rent from the people that were living in the housing. It could virtually, in this person's mind, satisfy and solve the significant, shoddy, poor conditions that his people live in.

Now, at 50 percent, he would only have half of that, because the other 50 percent of the money has to go 40 percent through a process and 10 percent to more remote communities, which I think they would be qualified for. I think the piece of it that I thought was the most disturbing was this. "I think we know what we could spend that money on," he said to me, "and I don't think anybody needs to tell us. So you can provide us with the revenue stream. Let us figure it out. Let us come up with a way to do things better in our community."

After that conversation, I reminded myself of the Select Standing Committee on Finance, which I sat on in June. There were two particular stories I recalled that came through from First Nations. I decided I wanted to bring them up to let this House know, just to have an understanding about how much people in a remote First Nations community care about themselves, their families and their community but also about the people that live around them.

The first one that came to me was a report that was actually a presentation made to the select standing committee in Quesnel, from Robert Cosma. He's the emergency response management safety coordinator for the Nazko First Nation. He had a very short presentation. It said this:

"In 2017, the community of Trout Lake was evacuated due to the wildfires within the community of Nazko First Nation. We were evacuated for 14 weeks, as well as the entire Nazko Valley community.

"In 2018, Trout Lake was evacuated again for six weeks due to floods that took out part of the reserve. Also in 2018, Trout Lake was evacuated for another four weeks due to wildfires that came within two kilometres of the homes. That was ten weeks in total in 2018.

"For the last two years, we've been evacuated for 24 weeks. My 92-year-old grandmother and my 86-year-old grandmother had to spend all of this time in the city of Quesnel, in a motel, eating only in one restaurant. They were then placed on the second floor of the motel, and by the second week, they didn't even want to leave their room and no longer had the desire to eat.

"They're farmers. They're used to being active and on the go all the time, and being removed from their routine and not knowing if they could go home, to go back to, was more stress than any Elder should ever have to go through.

"The reason I am here is this. We would like to be able to protect our communities that currently have no protection whatsoever. We have 53 people trained. With $100 and $185, we have eight First Nations members trained with level 3 wildfire initial attack. We have five first responders, five members in the process of ESS training and two members with FireSmart training.

"We need this equipment" — what he was asking for, some capital, a small amount — "to be self-sustainable, to be able to protect our communities within Nazko First Nation and the community of Nazko itself."

They're asking for two trailers equipped with firefighting equipment, as they are 1½ hours from Quesnel and absolutely no fire protection in between. Now, I was not able to get hold of this gentleman for today, but I think if he knew that there was money coming…. I actually wrote the minister responsible after the hearing and said: "Could you find this, either through emergency preparedness or the Solicitor General, whatever?" I've had no response.

These guys don't want to just help protect their community; they want to protect their neighbours too. What process do they have to go through, and how long before they could actually solve the problem with money that's coming from gaming that was sent to them directly tomorrow? They can make the decision and solve this problem.

I know that members on both sides of the table during these hearings were struck by this story. It wasn't anybody that tried to say: "You shouldn't be thinking about this." It was amazing that somebody had a solution, a small amount of money, but couldn't get it from anywhere. If they had that discretionary money today, they'd have those trailers. At the fire season next year, they'd be ready. They weren't ready this year simply because they couldn't get an answer.

The other one that struck me…. When I was talking to one of the First Nations Elders, or Chiefs, here in the last few days, they said: "Really, we need something for our kids. If we had the money, there were things we would do. We've had two suicides in the last two weeks. Give us the resources, and let us help to figure this out. But let's not just send us through another process."

This struck me about another presentation we had during the Select Standing Committee on Finance, a group that members of the committee were also quite intrigued by. It was a First Nations group that came and told us about Right to Play — to protect, educate and empower youth. In their presentation, they said Indigenous youth face a wide range of barriers to success — i.e., lower rates of high school graduation. Suicide is a leading cause, among First Nations youth ages 15 to 24 in Canada…. This is a statistic that nobody, no matter how long they've been here, even before us, should ever be satisfied with. They face disproportionate mental health challenges, including disproportionately high rates of reporting bullying and feeling unsafe in school.

Their recommendation was to support the Indigenous youth — the PLAY program. It's a partnership where an Indigenous community and urban organization apply to Right to Play for support for co-developing play- and art-based wellness and leadership programs for children and youth that are community-driven, tailored to the specific needs of young people and are accessible, inclusive and free for all participants.

[11:25 a.m.]

Their statistical success is pretty remarkable — the number of young people they've reached and the number of young people they would like to reach. They think that they could be in 25 First Nations communities in B.C. each year if they had $3 million of funding from 2020 through 2023.

How do they break that out? How do they get there? If it was 23 communities that wanted Right to Play, they need to know where they can get the dollars. They have communities that want to do this, that are prepared to be part of the 23 communities, over the next two years, to help thousands and thousands of First Nations children and young people. Their only thing to do was to come to this committee and ask us to make a recommendation with regards to it to the Ministry of Finance, within the budget for next year.

I was really struck by a number of things in that presentation. First of all was the love, compassion and care for their fellow youth that I saw from the youth that were actually supporting this program in their communities and were asking for it to be able to grow.

Just a couple of statistics. Since September 2018, over 1,200 B.C. Indigenous youth were reached through PLAY. Since 2017, 40 youth workers were employed in

their communities to lead the PLAY program and subsequently got the training so they could be youth leaders in those communities, and 1,942 community members across B.C. were engaged through the program in 2017-2018. Eighty-five percent of the youth participants in B.C. are more confident in themselves since joining the PLAY program, 74 percent of the youths learned ways to cope with difficult situations and feelings, and 75 percent of the youths learned what skills are needed to be positive leaders in their communities.

When I read the bill and when I went back and read about Right to Play, I thought: "Why can't we just take the dollars, without an administration or an application program of any kind? Divide it up, send it to the First Nations, and let them decide. Let their leadership decide what's best for their community. Let them take the money and work with it."

Each one of the five leaders, the Chiefs, that I spoke to told me that they were not consulted or asked whatsoever about how this was going to be set up. To me, somebody missed the boat here. It's not just the leadership council that actually speaks for First Nations. As a matter of fact, in the meetings that I've been in, in remote communities and non-remote communities, when I was negotiating direct government-to-government benefits, most of the meetings started out with the fact: "We speak for our communities, and these other organizations don't." They wanted to make that clear from the beginning.

I look back at the passion of some of the leaders I sat with, two of whom are unfortunately no longer with us, and I saw how much and how important to them it was to get training and opportunity for their youths from economic development, to get funding into their communities so that they could deal with some of these issues, particularly around suicide rates and things with youth.

One particular leader, whom I was very fond of, was very passionate, not just about graduating kids from his schools but also seeing them get to post-secondary and supporting them to get there, because he thought how important it would be to the leadership of his community in the future to have that example and also those with that education come back and give.

The challenge, for me, with the bill is not that money should go to First Nations. I absolutely agree with it. It's the methodology that is outlined in the bill. I know we'll get into that portion during the committee stage of the debate here. What I want to be clear is that I support money going to First Nations. I wish they could have done it simply and got it into their hands today, for the things that they need to deal with and address today.

I could easily show a First Nation how to leverage that money into housing, on or off reserve, for them to have a long-term impact on the people that they think are

suffering from that. I could easily show people how, if you want to leverage that, you might be able to fix your water system or whatever.

If you're waiting for the commitment, and you know it's a two-year commitment that could go to 25…. That's one thing. It should go to 25 — period. If you have that long-term funding, make it available so that the determination of how that money is invested for those communities is made for the leadership of First Nations in those communities.

[11:30 a.m.]

You will never sit in a place where a group of people are more passionate about their children and their future than when you sit down with a group of Indigenous communities, whether small or large, in British Columbia. Their love of their people is remarkable, and their commitment is sustainable in ways none of us could ever imagine.

I don't think that this House — and we'll deal with it in committee stage — should just say: "This is how we're going to do this with these funds." I think we should give them the money, and we should let them make the decisions themselves, because I actually believe they'll do the right thing.

I actually believe each one of them has…. Some of them have things that are important to them outside of some of the things they're told they have to put this money into. It's putting into a box where the funds are allowed to be spent. I don't like that.

I don't like that, because I've seen the communities that have had the ability to take those revenue shares and put them to work, to invest them and create jobs and training for their people, and how successful they can be. We should also remember something else. Just like in our own communities in British Columbia, in the Indigenous communities and First Nations communities of B.C., there are haves, and there are have-nots.

There are those who happen to have land on reserve and who are close to economic development and opportunities and others that are close to the large population bases where they've been able to leverage opportunities.

There are small communities that have more significant social things they need to address and want to address and that have a whole different aspect and thought about how they can do their community, compared to those that maybe have or have not, not unlike forest-dependent communities that are hurting today versus those that are being successful, let's say in the Lower Mainland, with an influx of population. Their economics are different. We should always remember that.

If we remember that, we should know that the best people to make the decision for the people in their community are the people in the community. In my opinion, this bill needs to be looked at, as we come through debate, from the standpoint of: let's put our trust in the leadership of First Nations and Indigenous communities to do what's best in their communities. Not have some other body that handles the dough. Not have some other body that may add administration costs. Not add some other body that may want to handcuff or may take too long to distribute the money for actual certainty for investment for long-term benefit.

Send it directly to the First Nations. Make the 25-year commitment so they can sit down and figure out how they can leverage that cash flow for the long-term benefit of their community and how they can fund programs today that can grow into success, relative to things like youth suicides and education and opportunities.

I absolutely believe we should revenue-share. But at no time did I ever negotiate a deal on revenue-sharing where it dictated how the community would spend the money. I believe that in this case, we shouldn't do that either. Let's trust the First Nations and the Indigenous communities.

B. D'Eith: I rise in support of Bill 36.

I did want to thank the member for Langley East for his comments, especially in regards to his support for the 7 percent that the B.C. Lottery Corp. is going to give to our First Nations. This is an historic and important work.

In fact, before the last election, the Supreme Court of Canada ruled that Aboriginal title and rights are a matter of law and justice. It's something that our party had accepted for many years and, in fact, the former government had fought against.

One of the first things that we did when we got into government is the Premier wrote letters to each minister instructing them to embrace UNDRIP and the Truth and Reconciliation Commission recommendations and to make sure that everything they did and everything across ministries would actually support that.

That work has been started since 2017. We're really proud of that. This bill actually continues that work. But what does reconciliation look like? For me, obviously, I started as an MLA in 2017.

[11:35 a.m.]

While I had had a chance to get to know some of the leaders in our Indigenous community because of running in a federal election and other things, I really didn't have a chance to work, on a daily basis, with our First Nations until I became an MLA. I can tell you that for me, part of what reconciliation is about is listening and learning. I have learned so much from my First Nations.

Getting to know…. Chief Grace George — I would like to say it's Chief George now and not Chief Cunningham. She just recently got married, so I wanted to give her congratulations for that — who's the Chief of the Katzie First Nation, and Chief Marilyn Gabriel of the Kwantlen have both, I think, become friends. I enjoy working with them. I learn from them and their Elders and from what they are doing to support their communities every time I meet with them.

In fact, when I first started as an MLA, there was a National Indigenous Peoples Day. We were in Maple Ridge, in Memorial Peace Park, in our gazebo, and the Elders were giving speeches about reconciliation. There were a lot of people watching and listening. Right in the middle of this, an older gentleman came up and started saying the most awful things about Indigenous people to the people who were on the stage, many of whom were triggered and burst into tears. Many of them had lived through residential schools. Many of them had had their language stripped from them through what had happened in the past.

I was in the middle of all of this. I was in the middle of the group. I felt a lot of shame, and I felt upset. It was just awful. It was an awful feeling. And for one moment, I had the ability, I think, to sort of experience what people in that community feel on a daily basis. That's what the people from my community said. It's like: "Well, this is what we deal with every day." So I got a chance to actually experience that, and it was really a horrible feeling.

There was a silver lining to this, because one of the Elders stood up and recognized the older gentleman as an Elder. He said: "In our culture, we recognize the wisdom of Elders. You have your chance to talk, and I recognize that, but I don't agree with you." And he spent the next 15 minutes turning that moment into a learning experience. He actually turned it on its head. By the end, I can say that we all felt uplifted. We felt that you can learn from this negativity.

I think that is the spirit upon which reconciliation seems to be moving forward under this government — just that listening, that acceptance that there are different ways of going about things and recognizing that there were things that happened in our past that we need to work on.

There have been a number of things that have happened in my community, with the Katzie and Kwantlen, that really were quite moving. One of them…. I think this is part of reconciliation. The Ruskin dam has just finished being refitted by B.C. Hydro. Right in the middle of construction, they discovered a 9,000-year-old burial site where the power plant was supposed to go. The area where the Ruskin dam is built is actually very sacred territory for the Kwantlen First Nations.

Construction stopped immediately. People were brought in, the dam was moved up, and it was taken care of. There was a lot of respect given to the Kwantlen First Nations, but it was not an easy relationship. It was something that started, obviously,

from a very difficult place, because the original dam that was built 100 years ago was built on sacred territory. There was no consideration given at that time to the sacred lands of the Kwantlen people. So there was an automatic mistrust of the processes that would go ahead.

Now, by the end of the process, the project actually had developed such a good relationship with the Kwantlen First Nations that there's artwork that was created. Massive panels with artwork, on this dam — they were created by Brandon Gabriel, a wonderful First Nations artist — will celebrate, for the rest of time, the story of the Kwantlen people — right on this dam, in giant panels.

[11:40 a.m.]

I was a witness at that, and I witnessed the unveiling of that. I also learned that part of my responsibility as a witness is to tell the story, and I'm telling this story today. That's part of what I'm learning. Part of reconciliation is learning and moving forward with these stories.

Another one that was very moving was when we had the Katzie First Nation announcing housing on reserve. To this scale, it's unprecedented. It's so important for our First Nations to have the ability, on reserve, to build homes with the support of the provincial government. In fact, the Katzie are going to build 39 homes. Across the province, there will be 1,143 homes that have already been approved. That's very exciting work, and again, that's true reconciliation.

Another one that we recently announced was the opening of an urgent and primary care and primary care networks in Maple Ridge. Now, that may not seem immediately…. Why is that part of reconciliation? The reason was that right from the beginning, the Katzie First Nation were brought in to not only consult but to help design how the networks would work and how the primary care would be given so that it was sensitive to the culture of the Katzie First Nation. It was not only the division of family practice and the province and other partners in the community; it was also with the Katzie First Nation. Again, that's reconciliation in action. That's listening. That's designing programs.

Again, recently I was invited to participate in a ceremony with both the Katzie and the Kwantlen, who have now formed a partnership to deal with the first, First Nations woodland licence that was given on the southern coast. This was ten years in the making, and it was such a lot of work. The fact that it happened now is really a testament, again, to our government's recognition of reconciliation. Part of that was something the Katzie had been asking for, for so long, which was the ability to be a steward of a woodland area and to be able to celebrate an area that included their people.

The one thing that came up from that — it was an absolutely moving ceremony, and I was so privileged to be a part of that and, again, as a witness, to be able to tell that story — was that both Chief George and Chief Gabriel…. There was a change. There was a change since the beginning of when I started as an MLA to now. When I first started, there was this idea that, oh yeah, like Charlie Brown and the football, you're going to make all these promises, and nothing is going to happen, just like the last government, just like governments before them for decades and decades.

At this particular ceremony, I heard the words from both of those Chiefs. They felt that it was their time. They felt that this was their time to actually move forward with some of the things…. That's really important, this sort of change, where there's this feeling that, really…. It is a time when this is actually happening. It's not about words. It's about action.

When I look at our government and the cross-government priorities that were given to each ministry to adopt UNDRIP and the calls to action for truth and reconciliation…. I look at things like the co-development of legislation with B.C. First Nations to establish UNDRIP as a framework for reconciliation in B.C. That's happening right now.

Ensuring Indigenous children and their families have better access to culturally enriched early learning with more than 600 new and free licensed child care spaces and expanded Aboriginal Head Start programs in over 30 communities. That's reconciliation at work.

Signing an accord to transform the treaty negotiations in British Columbia to get results in a shorter time frame that leads to prosperous, healthy and self-determining Indigenous communities. That's reconciliation.

Partnering with the Aboriginal Justice Council to develop an Indigenous justice strategy to reduce the overrepresentation of Indigenous people in B.C.'s justice system. That is reconciliation.

A new professional standard that requires teachers to commit a truth and reconciliation healing to ensure Indigenous students in B.C. will be better supported and more connected in schools.

Renaming four provincial parks and one watershed. Protecting an area to include traditional Indigenous names. That reflects the historical and cultural significance of those areas.

[11:45 a.m.]

Supporting the revitalization and preservation of Indigenous languages with a $50 million grant to the First Peoples Cultural Council.

Providing $40 million to build and revitalize culturally safe First Nations' around mental health and addictions treatment centres throughout B.C.

These are all examples and cultural significance of those areas. Supporting the revitalization and preservation of Indigenous languages with a $50 million grant to First Peoples Cultural Council. Providing $40 million to build and revitalize culturally safe, First Nations–run mental health and addictions treatment centres throughout B.C. These are all examples of reconciliation at work.

Providing dedicated funding to Aboriginal friendship centres for the first time and ensuring the continuity of these critical services for urban Indigenous people.

Of course, there's also the groundbreaking government-to-government process that just happened with the Broughton Archipelago. It shows that we recognize the importance of wild salmon, ensuring the safety of wild salmon but also looking at the economic opportunities for First Nations and their local communities.

That's what is so important about this access to gaming revenue. In fact, the First Nations have been asking for this for many, many years. Since 2007, First Nation leaders have been presenting to the B.C. government. In fact, back then, they suggested that the government allocate 3 percent of the gross gambling revenue towards economic and community development. At the time, when they were making these presentations, they described what we're doing now as the single most important action the provincial government could take, in their words, to "ease First Nations poverty and begin to close the economic and social gap for all First Nations."

This is about consistent funding. I've heard from the other side about this idea that there are — and there are — different levels of capacity and economic wealth between different nations. But this is consistent funding. This is about levelling the playing field. This is about adding consistency to knowing when funds will be coming in.

I heard the member for Skeena talk about the time when his band had…. You know, they were nearly bankrupt. Well, under this, this wouldn't happen. They would have access to funding on a consistent basis. Very important to that, too, is that having consistent funding would actually allow First Nations to borrow where they couldn't before, because First Nations can't tax like municipalities and rely on those funds to allow them to borrow. So this will allow First Nations not only to get the funding that they'll be getting but also leverage that funding — do the things that they've been wanting to do for many years.

It's so disheartening to hear the member for Nechako Lakes say that this program is somehow paying off our friends. This is quoting the member for Nechako Lakes: "It seems to me more about paying off friends than it is…actually getting the resources to the bands." That is so cynical. That cynicism is exactly the opposite of what we need to move forward with reconciliation.

That's why I'm so proud that, in Budget 2019, the provincial government not only committed to 3 percent but to 7 percent of the net provincial revenue from gaming to First Nations for 25 years. This is stable funding that's going to help an entire generation of First Nations get the respect and reconciliation that they deserve.

Again, the opposition are questioning the percentage, like somehow, again, trying to divide and say: "Well, does that mean other people are not going to get funding?" This is the politics of division. We're talking about a population within British Columbia who are disproportionately incarcerated, disproportionately homeless and disproportionately living in poverty. That's why talking about percentages as if it's a have-or-have-not thing is absolutely outrageous, in my opinion, given what this is all about.

This agreement will actually allow First Nations in British Columbia to get over $100 million per year. That, over the period, is about $3 billion to B.C.'s First Nations over this entire contract. In fact, earlier this fall, the province shared $194.84 million in revenue — and that's for the first two years of the agreement — to get ahead of this. Because we have this legislation, but the government moved right away on it.

[11:50 a.m.]

In fact, the First Nations are extremely happy about this — extremely happy. I just have a quote from Judith Sayers, who is the president of the Nuu-chah-nulth Tribal Council: "We've been waiting a long time for this. I personally have been involved in trying to get this going for 13 years, and it's been at least 30 years that First Nations have been doing it. So it's a good day." Sayers says the money is deeply needed in many First Nations around the province. This is echoed by many, many First Nation leaders around our province.

[Mr. Speaker in the chair.]

I also heard that the manner in which the money is going to be allocated is somehow in question. Well, in fact, the limited partnership arrangement that the First Nations are going to be using actually came out of listening. That, again, is what true reconciliation is about. That came from the leadership from the B.C. Assembly of First Nations, First Nations Summit, the Union of B.C. Indian Chiefs and through the First Nations Gaming Commission. And those all went back to members. So this is about listening and about true reconciliation. This is reconciliation in action.

Even coming up with the formula to deal with this…. The formula is very simple: 50 percent base funding, based on community; 40 percent based on population; and 10 percent to deal with geographic inequities in remote communities. This is a simple formula. It's fair, and I think everybody will benefit from this.

Now, in the debate, the member for Skeena said: “Well, bands don’t have the capacity to deal with getting this money.” But that is ludicrous because the whole point of this is building capacity. Capacity-building is actually written in as one of the key areas that this funding is going to help, along with health and welfare, along with infrastructure and safety and transportation, along with economic and business development, along with education, language, culture and training, along with community development and environmental protection.

Capacity building, fiscal management and governance — that’s the whole point here. While municipalities have the ability to tax and the ability to build their capacity, First Nations will have this envelope of funding that will give them that financial stability to build capacity. That’s the whole point. That’s why I’m so proud of this.

Noting the hour, I’d like to take my seat and move that we adjourn the debate.

B. D’Eith moved adjournment of debate.

Motion approved.

Hon. M. Farnworth moved adjournment of the House.

Motion approved.

Mr. Speaker: This House stands adjourned until 1:30 this afternoon.

The House adjourned at 11:53 a.m.

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 41st Parl, 4th Sess, Issue No 274, (10 October 2019) at 10058 (C Oakes), online: <https://www.leg.bc.ca/documents-data/debate-transcripts/41st-parliament/4th-session/20191010pm-Hansard-n274#bill36-2R>

BILL 36 — GAMING CONTROL AMENDMENT ACT, 2019
(continued)

C. Oakes: It truly is a privilege to have the opportunity to rise as the member for Cariboo North and add my contribution to the debate on Bill 36 and to bring forward the concerns from my constituents with a thoughtful approach on how we can improve upon legislation and make sure that, for constituents in Cariboo North, decisions, policy and legislation that are being debated here in this House reflect the needs of constituents, First Nations and Indigenous communities in Cariboo North.

Having reviewed this piece of legislation that is before the House, there are three areas that I wish to touch upon today. The first is the mechanism of distribution of this

bill. The second is the formula that is being discussed. The third element is the community gaming grant discussion that I think is incredibly important to bring forward in the discussion of this bill.

[1:45 p.m.]

Following the member for Maple Ridge–Mission and his comments about the importance of going out and listening before designing programs first, I believe that a critical component to the aspect of listening is actually going out and talking to the First Nations and Indigenous communities first.

Based on conversations that I've had with my local governments, local First Nations, local alliances and Indigenous populations in my communities, their experiences and stories, I wish to take a moment to bring forward to this House their experiences with some of the programs, policies and legislation that have been actually brought forward by the government and the impact that is actually having in our rural communities.

We have instances in our communities where revenue-sharing has been incredibly successful. I think that is an important foundation of what we're discussing today. We want to ensure that all people in British Columbia, whether Indigenous or non-Indigenous, have opportunities of prosperity and economic growth and that they can know their next generation — and generation and generation and generation after that — will have opportunities in the fantastic communities we are so incredibly blessed to live in.

The first element that I wish to discuss, as it plays into this piece of legislation, is the mechanism of how these funds will be distributed. The top-down approach that is being presented in this legislation…. I believe we need to have a more thoughtful conversation on and recognition, in truth, of what is actually best and what will have the greatest impact for our First Nations and Indigenous populations.

We understand that revenue-sharing agreements that are in place, which actually put funds into the hands of our local First Nations and Indigenous communities — respecting that they know best, that they understand their communities best and that they know the needs of their communities best — are a principle that we should be following.

We hav, again, had some significant examples — for example, revenue-sharing agreements in the Cariboo, such as the forest consultation and revenue-sharing agreement. That has been supported in our community. That has helped support both Indigenous and non-Indigenous in our region — workers, businesses — that have found economic opportunity through these types of revenue-sharing agreements. That has helped increase prosperity and has helped create work for people in communities.

You know, I am very proud of Nazko First Nations logging. They are one of the largest contractors in our community and one of the oldest, actually, First Nations logging contractors in British Columbia. They have been incredibly successful. They have hired and employed and supported not just Indigenous communities but non-Indigenous as well. I think examples of programs that recognize that we all can benefit and all of our communities have a great opportunity when we invest in rural communities is an important foundation.

Where there is nervousness right now, which I think is important to bring forward into this House, in communities like Nazko — and, in fact, quite frankly, the entire Cariboo — is that policies and legislation that are being brought forward by the NDP government, while looking good on paper, often have unintended consequences in our rural communities and, quite frankly, can be devastating for our individual communities.

That is why, as we debate bills that are being brought forward, we are trying to bring the voices of our communities: to make sure there are not unintended consequences to policies that I believe are brought forward, of course, in good faith and wanting to improve the lives of British Columbians; to make sure that the reality in our communities, that the boots on the ground — that we are seeing the impacts and that we're seeing the revenue actually coming into our small communities.

[1:50 p.m.]

I found it deeply discouraging that it required a convoy of logging trucks, which had to make a difficult journey from our communities down to Vancouver, to ensure that our voices were heard on the implications and decisions that this government is having on the forest sector.

Our First Nations do not want decisions being made top-down. We do not want to see people living, sometimes, in the urban settings or in Victoria — this very building — who may not understand the realities of what it means to live in rural British Columbia, making those decisions.

There is real evidence of the type of top-down approach in decisions made by this government that is concerning to constituents in my region. Evidence, for example, of the recent cancellation — or you can spin the language however you wish — of the rural dividend program. Our First Nations communities had critically important applications in to this fund. This fund was designed to respect and understand the unique challenges, the needs that small and rural remote communities, First Nations communities face — communities, First Nations communities, such as Lhtako Dene First Nation.

You see, they had an application in for a sawmill. We all know of the devastation that we've had with pine, and now we have fir beetles in this area and, of course, our wildfires. They had an application in to build a sawmill that would employ nine people to

help remove the Douglas fir beetle infestation that we currently have in our community, that the First Nations community needs to address.

Now they have to find a way to figure out what is next in communities where, really, work is limited, and they are very challenged. They're disappointed that funds that have been put forward for rural communities, for First Nations communities, have disappeared.

Lhtako Dene also shared a story with me when I was talking about the impacts of legislation being brought forward in this House. What was their experience on the ground? They shared a story of what they are currently witnessing and, actually, all of us in the Cariboo are seeing. We regularly get press releases that there are large burn piles that happen regularly in the attempt on fire mitigation, and we support the efforts that are being made to keep our communities safe. I think it's critically important.

What the First Nations are asking of us is: why are we burning that fibre? Why are we not using that fibre? They have partnerships with other companies for pellets. Why are we not utilizing some of the land-based fibre that currently exists to create value? In press releases that the government last year had put forward, that was where the government was moving.

First Nations communities in our area, many who are out of work, are asking why those decisions are not happening — value-added opportunities with companies such as C&C Wood Products that develop panelling and wood products, that are not subject to softwood lumber tariffs. The First Nation resource worker asked me last week why the stumpage is the same rate on the value-added products that we could be producing in our communities that are not subject to softwood lumber but would actually get people working in our communities.

The language that consistently comes out of this government is that they spin some of the communications that: "Hey, things are better than ever. We have these policies, these legislation tools that are coming forward that are going to make things great in our rural communities." But the challenge becomes that we're not seeing that money delivered on the ground in our communities.

[1:55 p.m.]

Earlier today the Premier discussed the money that's being reallocated to support forest workers, and this fund, of course, was being pulled away from the rural dividend program, a program that helped First Nations and smaller rural communities. Both the Premier and the Minister of Forests brought forward that they are important announcements.

What is happening on the ground in our communities — and I have had multiple calls into my office, as I'm sure other MLAs have had as well — is that there is no

access to this funding. The application process has not been set up yet. So we make press releases saying: “Things are great. The government’s here to help. Money is on its way.” But the reality is that it’s not getting into the hands of the people in our communities. As rural MLAs, we have to fight. We have to advocate. We have to make sure that the decisions that are happening in this House go into the hands of our communities.

Literacy Now is another example of an important application that had been put forward to the rural dividend program — $50,000 to help improve literacy for both Indigenous and non-Indigenous communities, important upgrades that are required to improve the work outcomes for natural resource workers who are out of work, who are now required to have grade 12.

Imagine that you’ve worked in a mill for 30 years of your life, and that mill is now closed. You have to go back out into a workforce, and you have to find a new job. The challenge is that you now need grade 12. For many people in our rural communities and Indigenous populations, 30 years ago, the idea of going in and working in a forest community was that there were opportunities out there where we didn’t require grade 12. To cut those very types of funds that would help our communities move forward is incredibly troubling.

Another comment that my constituents, my First Nations, wished for me to express here in this House is around the fire-mitigation experience. I certainly appreciate the funds that have been put forward by the government. I think it is important to put that investment into the communities.

When I talked to the Chief of the ?Esdilagh First Nation, Chief Stump, he asked me…. He would use my name, but I’m not allowed to do that. “Why do we keep getting consultants? Why does the government channel and say: ‘This is the type of funds that you are going to get. We will get you consultants. We will get you somebody to write a plan for you.’?” The First Nations are saying: “We know our community best. We do not require a consultant to come in for us to understand what we need to do to protect our communities.”

The member for Langley East graciously raised a story that really has been something that, as an MLA, is not only troubling. Quite frankly, it breaks your heart that communities, year after year, who’ve felt the devastating impacts of wildfires and floods know what they need to do in their community to protect their communities and to make their communities safe, continue to get denied access to very simple capital funding — two trailers and some firefighting equipment that would help keep their communities safe. Why is it so difficult to get access to funds into the hands of our communities, our First Nations communities, who know what they need in their communities?

Programs and services are continuing to be gutted. And while the members opposite continue to heckle, if they had heard the first part…. There are three

components of the challenge of this legislation. The first challenge is the distribution of the funds. We feel that those funds should go directly into the hands of our First Nations communities.

The second piece of the legislation — I encourage the members to read, because I've heard them talk about the formula time and time again — is that the formula that is currently being used, a component of that is population-based. When it is population-based, our rural communities always end up on the short end of the stick.

[2:00 p.m.]

For rural communities, for First Nations communities to have funds that are based on population versus needs means that we will always not have the same access to funds that other First Nations communities may have.

We have stories. It's not just us creating some element of cynicism on what is happening. They are real, on-the-ground stories that we're hearing. It doesn't matter how many press releases you send out and how many times you send our mayor out and say how things are great in Cariboo North, I can tell you that there are real challenges that we need to overcome, and there is real support that needs to happen into the hands of individuals.

The third component which I wish to address is the community gaming grant program and how the conversation of what we need to secure not just revenue-sharing for Indigenous and First Nations populations directly into their hands…. We need to secure funding to ensure that all of our volunteer organizations across the province of British Columbia that rely so heavily on community gaming grants have the same opportunities. It needs to be fair.

I have multiple examples that I wish to bring forward, but I'm going to start with a story. The member for Maple Ridge–Mission talked about the importance of storytelling, and I agree. So let me share a story that has recently come into my office.

"I'm writing to you on behalf of the Quesnel Figure Skating Club. We were recently denied from community gaming grant which has left our club about $28,000 short of funding to pay for our season. This is a huge problem for us and a lot of money to make back in fundraising. I have been on the board of this organization for six years, and we have never had this happen before.

"Normally, we receive our gaming by early August. But this year, we hadn't heard anything going into September. So of course, we had to go with our registration programs like we were going to receive this money. One month into our program, we received the email stating we were denied. Anyways, long story short, I'm contacting you to see if there's anything you can do."

It's not just the Quesnel Figure Skating Club that has seen a significant reduction and gutting of programs. It is multiple agencies that we have seen in rural British Columbia. The Baker Creek Enhancement Society received $44,000 last year, and to date, they have had no announcement.

The Quesnel Women's Resource Centre. And it was great that this morning in the introductions I believe we had a women's resource centre announced in this House. They do great work, so we supported the community gaming grant back in 2017 of $122,000 to our Quesnel Women's Resource Centre. This year they received $80,500. That's quite the reduction.

How about we look at the Scouts? The Scouts do great volunteer work — last year $7,700, this year $5,600. Quesnel Rotary — last year $32,235, this year $20,000. How about the Quesnel Lions service club? In 2018, $29,058. This year it was $20,000.

How about victim services? Victim services is a critically important organization. This week we are recognizing the importance in all of our communities to stand up for those who've been impacted by domestic violence. At a time when our communities are being devastated in the forest sector and at a time when we have, unfortunately, seen increases in domestic violence in our communities because of the incredible stress of people being out of work, the North Cariboo Métis society has had their healthy relationship program cut — completely cut. Now, I met with the minister to talk about that. His response to me was that the program has been oversubscribed.

Forgive me if I stand before you and raise the concerns that my constituents are having when, time and time and time again, programs and services are being gutted in our communities, both Indigenous and non-Indigenous, at a time, Member, when the numbers speak for themselves.

[2:05 p.m.]

I have pages, and I can show you, because they go on line. I encourage the members to see where the funds have been last year on community gaming grants in our communities and where they are now.

My message to anyone who may be listening to this conversation is: contact your local non-profit volunteer organizations that have put in applications to the community gaming grant program, and find out where your funds are this year. Are they delayed? Have they been denied? Have they declined? I want you to contact your local MLA. I want you to share your story, because your story is powerful.

It is as powerful as those 250 logging trucks that came down to Vancouver because it was the only way they would get the attention of this government. While the Minister of Transportation laughs and points her finger at me, here's the message I would say from ?Esdilagh First Nation.

Interjections.

Deputy Speaker: Members.

C. Oakes: “We have written multiple letters. We have letters to the minister on the orders of questions around West Fraser Road.”

Do you remember that road, Minister? Year after year we have received letters from this minister. “Oh, we will be fixing these funds.”

Interjections.

Deputy Speaker: Members, one member at a time.

C. Oakes: Thank you, Mr. Speaker.

It is the element, again, from First Nations communities who do not have a lot of trust in this government, because we continue to hear that funds are coming to your community. We get wonderful press releases, and we continue to wait.

Interjection.

Deputy Speaker: Member.

C. Oakes: I’m incredibly proud as the member for Cariboo North to bring forward the voices of my constituents, both Indigenous and non-Indigenous. I believe that our community members know best the needs in their community. I believe that they shouldn’t have to wait for a government to say “I know best” and to control the types of social engineering funds that come into our communities.

Again, in closing, if you’re a community member that has seen a reduction in your funds, please contact your local MLA. If you want to make sure that funds are distributed directly into the hands of your community, make sure you raise your voice on this particular bill. Finally, if you believe in self-determination, if you believe that the fact that the First Nations know best in their community, I invite you to make sure that you read this bill, understand this bill and to contact your MLA.

Hon. C. Trevena: I’m very proud to stand up to talk about the Gaming Control Amendment Act introduced by our government.

Unfortunately, I think that the member who spoke before me, the member for Cariboo North, hasn’t read the bill. If she had done, she’d know there was, as she describes it, self-determination — that it is up to those communities that are getting their share of the gaming grants to decide how best to spend the money.

I'd also just like to put the record straight for all those many people who are going to be getting in touch with their MLAs as a result of the conversation from the member for Cariboo North. Nothing has changed. There is still 31 percent of gaming revenues going to community organizations and health services and local governments.

The member's various social clubs, organizations and others that have applied…. You don't always get it. It happens in my constituency. It happens in everyone's constituencies. You apply. You don't necessarily get it.

Of the $1.391 billion of net revenue from gaming activities, 31 percent of that is going to health services, community organizations and local governments. The balance, as the member…. She was, I believe, once a member of executive council. So she should understand this but most likely has forgotten: that the balance goes into general revenues. The new gaming revenue share does not change any of that. This 7 percent comes from what would go into general revenues, just to put it in context for the member, who clearly has forgotten some of the things she may have learnt while she was on this side of the House.

[2:10 p.m.]

As I say, I'm very excited by this act. It's a very important act, because it's going to entitle B.C. First Nations to a portion of B.C. Lottery Corp.'s net income for 23 years. That's 23 years where Indigenous communities can plan, where they know that they're going to get a source of revenue, where they know that it's stable funding. I think that everybody is aware that we shouldn't always be relying on lotteries, that we have to be funding in other ways. But on this, there is a large amount of revenue available, and there will be a 7 percent share of this for the next 23 years — very significant.

Members opposite have been debating this for some time and are getting very concerned about various parts of this bill. They could have done this. First Nations have been asking for gaming revenue to be shared by the province for years. In fact, back in 2007, when Premier Campbell was there and he had his "New relationship" — I think that's what his banner was that year — First Nations leaders presented that government, the B.C. Liberal government, with what was a First Nations investment plan. It recommended allocating 3 percent — just 3 percent — of revenue towards economic and community development initiatives in Indigenous communities.

At that time, back then, 12 years ago…. The members on the other side of the House forget that, for 16 years, they were government and could have made an impact for Indigenous communities but didn't. At that time, First Nations leaders described the plan of a 3 percent share as the single most important action that the provincial government could take to "ease First Nation's poverty and begin to close the economic and social gap for all First Nations." It is significant.

But somehow…. I should not be surprised. On this side of the House, we should not be surprised that the former government, the B.C. Liberal government, didn't do anything, because their record on First Nations relationships, to be honest, is, frankly, distasteful. It is awful.

It started back…. They formed government in 2001. In 2002, I think people can remember the referendum, the referendum on First Nations treaty rights. The then Attorney General Geoff Plant put it to the public. Well, he said that the public should have a say in the treaty process.

At the time, they said it was an experiment in direct democracy, but even pollsters were saying that it was amateurish and one-sided. Among those people who criticized the outrageously racist referendum were the Anglican Church, the United Church, the Presbytery of New Westminster, the Canadian Jewish Congress, the Canadian Muslim Federation, the B.C. Federation of Labour, Council of Senior Citizens and the David Suzuki Foundation. It was described as immoral and amateurish and racist, and it was. It was a racist approach to First Nations relationships.

I mean, that was a significant stain on the B.C. Liberal government's record, their 16-year record. But it went on. We've had the failure to implement the calls to action from the Truth and Reconciliation Commission. Back in 2015, Christy Clark, the Premier — watch this space — refused to appoint a new chief commissioner to the B.C. Treaty Commission, unilaterally undermining the treaty process. She was, like always, thinking only about politics and not what was in the best interest of Indigenous communities, First Nations and our relationship as the Crown with First Nations.

Earlier we had the Missing Women's Commission urge the then B.C. Liberal government — they had been government for a number of years — to bring in an enhanced public transportation system on the Highway of Tears. The former Minister of Transportation, the minister from Kamloops–South Thompson, said at the time that it was "not identified as a practical solution by the people who live up there."

[2:15 p.m.]

I'm very proud to be the Minister of Transportation. It's an honour to be working for the people of B.C. on this file, and I have to say that one of the areas of which our ministry is most proud is the bus system that is operating along the Highway of Tears. It is an extraordinary, extraordinary system. It links communities. It means that Indigenous communities off the highway can get to the highway. It means that people can get a ride, an affordable ride, from community to community. It keeps women safe because they don't have to hitchhike. It keeps families safe because they don't have to hitchhike.

I've ridden on the bus and talked to the communities, talked to the people who are riding it. It has made a huge difference. That is working for Indigenous communities.

We know their record for Aboriginal children in care. They had recommendations after recommendations from Grand Chief Ed John and took little action, and they were reprimanded by the Representative for Children and Youth in 2017 for their underfunding of delegated Aboriginal agencies. So I think that their record on Indigenous relations stands for itself.

What has been quite haunting — and I'm sure my colleagues will have more examples than this — is that in this debate, in this House here in 2019, when we are discussing something as fundamental as sharing some of the prosperity of British Columbia, some of the wealth that comes in through gaming, back with Indigenous communities, we have had — I'm not going to label them — such worrying, worrying comments from members opposite.

The member for Nechako Lakes, a former Minister of Indigenous Relations, talked about First Nations being addicted to government cheques and asked: "Is this not just another government cheque coming in?" He said that this legislation seems to be "more about paying off friends than…about getting resources to the bands." I think that's disgraceful — that they could even be thinking about that when we're talking about revenue-sharing, through gaming funds, with Indigenous communities to let them determine how best to invest in their communities to make their communities and the lives of their community members better.

Indigenous people. I think everyone should be aware of the history that they have lived through and that they continue to live because of what happened to their families, their forefathers. It's gone on for generations. We are still dealing with that. Indigenous communities are dealing with that. We are trying to assist through this process.

I've got to say that the member for Kelowna West was questioning the financial accountability that could come. I quote what he said. I find it, as I say, very disturbing that a member of this House could have this sort of view — express it and stand up to talk about this bill and still express this — questioning the financial accountability of Indigenous communities. He said their processes are not the same as what we would have in terms of our democratic systems, in terms of accountability.

He went on to say that almost five million B.C. citizens represent the non–First Nations population, and they haven't had a chance to have a say in it. As I say, I find this extraordinarily worrying.

Our government has been acting. I think everybody could say that we could act faster, that we could do more. Everybody wants to do more. But we have done a huge amount, made great steps in working on Indigenous relations, on building out. We have talked about reconciliation, are absolutely committed to reconciliation. In this session, I think everybody's very well aware, we'll be bringing in legislation to ensure that reconciliation is a true reality in our province.

Just to hit a few highlights. I mentioned Grand Chief Ed John's recommendations; we've committed to implement them. We have spent $6.4 million to keep Indigenous families together to improve outcomes for children and youth.

[2:20 p.m.]

We've been working on implementing a strategy to increase the number of Indigenous employees to train child welfare staff. We have broadened the education experience requirement for front-line child protection. We have ensured that we have a First Nations law degree now. Through my ministry, again, we have our community benefits agreements which are putting Indigenous hires first in the line for local hiring. We are working, day in and day out, to ensure that we work towards true reconciliation, whether it's acts of individual ministries, acts of government or acts that are, like this, directly assisting Indigenous communities.

As I say, I think that the member who spoke before me clearly hasn't read the legislation. We committed, in our budget back in the spring, to share 7 percent of net provincial revenue from gaming for 23 years, 25 years. Two years are already set. That is expected to give First Nations $100 million a year. If you get a roughly 2 percent annual growth, which would be a very nice annual growth to have, year after year for the next 25 years, it will be a $3 billion share with B.C.'s First Nations over the term of the agreement — $3 billion. Communities can do a huge amount with $3 billion.

It's set up. I think if the member had read the bill, she would find out that it's set up to be administered through the First Nations Gaming Revenue Sharing Limited Partnership. They will receive, manage and distribute these funds to participating First Nations. I hope the member from Kelowna West was listening to that when he talked about accountability. There is absolute accountability, and there is absolute trust that this will be, I think, very positive.

There will be a share, on formula, of participating First Nations. It's going to be by community, by population and then waiting for those that are geographically remote. I know that in my constituency…. The members opposite like to act as though they are the only rural members in this House, but there are a number of other rural members in this House, myself included.

I represent an Indigenous community who have lived for millennia in Kingcome Inlet, which is an extraordinarily remote and difficult place to get to. I think for the community itself…. I would say that one of the benefits of that was that they avoided the Indian agent. They were just too far away for the Indian agent to come, so they were not taken to residential schools.

I think that we have…. The opposition does not have the lock on representing rural communities. Our side of the House understands the needs of rural communities, and we want to work with Indigenous communities to ensure that they are served well.

I go back to the division of the money. I just talked about that. How can it be spent? I think it's important that we recognize that it's not us that are dictating anything. It is First Nations governments determining their priorities for the use of funds. There are basically six areas that support governance, capacity-building and strength in program and service delivery. It's on health and wellness; infrastructure, safety, transportation and housing; economic and business development; education, language, culture and training; community development and environmental protection; and capacity-building, fiscal management and governance.

Basically, it's money. It's money that will promote creative approaches to help design programs and help deliver services in these broad categories. It's not directed to individuals. It's working with communities for these categories. I think this is something that every member in this House should be supporting. Every member in this House should be recognizing that this is the way forward — that we have to be allowing Indigenous communities to invest in their future. They need revenue to do that. What better revenue than some of the money that is, at the moment, going to general revenue coming from gaming?

[2:25 p.m.]

The member for Cariboo North talks about all the potential loss of community grants. There is still the same 31 percent going to community grants, but 7 percent, an additional 7 percent, will be taken out of general revenues to ensure that First Nations can have an opportunity to invest in economic development, in housing, in so many different ways that will benefit their communities.

It makes me very proud that this is another act of our government. Working with First Nations, working for First Nations, we're making sure that when we come to discuss reconciliation, we discuss what it means to each of us. It means something different to everyone. It's one of these: how do you define it? It is so important that we do this.

I'm extraordinarily proud of our record on our relationship with Indigenous communities and moving forward on the UN declaration and on the Truth and Reconciliation recommendations. I would hope that the other side of the House joins us in supporting this bill, but I have to say I have been absolutely shocked by some of the comments that my colleagues on the other side of the House can still express in 2019.

With that, I'll take my seat.

M. Lee: I also want to join this discussion on Bill 36, the Gaming Control Amendment Act. Certainly, I think this has just been a discussion around the need to find and strike the right balance of the gaming-revenue-sharing agreement with First Nations in British Columbians.

There are certainly a number of considerations on Bill 36, which I'd like to discuss, recognizing that there needs to be a more detailed discussion to follow during the committee stage of this bill. I would agree with the member opposite that we have more to do on reconciliation in this province with First Nations. Revenue-sharing has been a continued desire of First Nations in British Columbia and, if structured correctly, could serve to strengthen the relationship between First Nations and our province, furthering the goal of reconciliation shared by all members of this House.

Reconciliation certainly is an incredibly important issue. We need meaningful recognition for reconciliation to make progress against closing the gap on issues of health, education and employment for First Nations. This province, through leadership of the previous government, has a strong record of supporting greater economic prosperity in First Nations communities, partnerships which are built on mutual trust and respect, and agreements that need to be balanced and fair.

Revenue-sharing is certainly a path to partnership. It's one path, and the previous government certainly recognized that. The previous government worked to improve the quality of life for Indigenous people through new economic partnerships, resource development revenue-sharing and closing gaps, as I just mentioned, in health, education, skills training and employment.

There was sharing with 40 First Nations of mineral tax revenue from mining, with payments beginning in 2013. As of December of 2016, British Columbia had signed over 260 forest consultation and revenue-sharing agreements with 156 First Nations. As all members of this House know, and as this government has come to realize, the LNG sector in British Columbia has presented opportunities for our government and First Nations to work together. Throughout the province, 62 natural gas pipeline benefit agreements have been reached with 29 First Nations, for four proposed natural gas pipelines.

[2:30 p.m.]

The previous government had also put in place over 500 economic and reconciliation agreements with First Nations, including strategic engagement agreements, reconciliation agreements and forestry and clean energy project revenue-sharing agreements. Many of those agreements were put in place under the leadership of the member for Nechako Lakes. As he indicated yesterday in this debate, the previous government in British Columbia was the first government in Canadian history to share resource revenues. Other governments across Canada, while they may have the same intentions, did not go down the same road. Instead, they went with a sharing of gaming revenue.

The previous government certainly believed that it was more appropriate that revenue go to First Nations from the resources and activities that were happening in

their traditional territory. That says something in terms of the division of the revenue under this revenue-sharing arrangement. But I'll come to that in a moment.

[J. Isaacs in the chair.]

In reviewing the Gaming Control Act amendments under Bill 36, it does provide an opportunity to look at the underlying agreement that was put in place between the province of British Columbia; the new entity, the B.C. First Nations Gaming Revenue Sharing Limited Partnership; the First Nations Summit; the British Columbia Assembly of First Nations; and the Union of British Columbia Indian Chiefs. This is an agreement that was dated, made as of August 2, 2019, just over two months ago. What's appended to this agreement is a list of 198 eligible First Nations that have the opportunity to sign on to this revenue-sharing arrangement to become a limited partner, but only if they're accepted by the general partner.

As the Minister of Transportation invited all members of the House to look at it, we have looked at this agreement. We have looked at the details. And there are many questions to be considered as to the nature of this arrangement and how it's going to work, not just for the 198 eligible First Nations but all First Nations in this province. We've been using the number of 203. Where did the other five go? They're not even listed in this agreement.

Let me say that the government is in the course of negotiating, as we understand from the briefing that the member for Richmond-Steveston and myself received two days ago, a long-term agreement for 23 years. This long-term agreement is for a net present value of $3 billion — $3 billion of an important financial resource that I believe we all want to see put in the hands of First Nations across this province so that they can meet the needs to build the capacity, to continue to fill the gaps on health, education and poverty and to continue down the road of shared prosperity with this province.

Revenue-sharing is an important tool, but how we do it is what we're discussing here. There are some concerns, as members on this side of the House have been trying to articulate over the last day and a half of debate.

The agreement that's in place currently is for a two-year period. It goes until August 2021. It has a one-year renewal term on it. There is time. There is time to ensure that there is proper consultation with all First Nations in this province, that all First Nations understand the nature of this further 23-year revenue-sharing arrangement and that we consider how the funds are being distributed and on what basis they're being distributed.

[2:35 p.m.]

As we know, there's a limit to the partnership that has been formed. As I just mentioned, eligible First Nations have the opportunity to become limited partners of that

partnership, but it is by acceptance of the general partner. If you're not accepted as a limited partner, that First Nation will be an unsigned First Nation. And as an unsigned First Nation, you won't be entitled, won't be receiving these funds.

This is an example of the layer of administration that this government has put in place. From what we understand from the member for Maple Ridge–Mission…. He indicated something that we've been asking for. What was the level of consultation with First Nations? As I heard him say, it was by listening to the First Nations Summit, the British Columbia Assembly of First Nations and the Union of British Columbia Indian Chiefs. I didn't hear him say "consultation with each First Nation directly."

This is something that the member for Langley East attested in respect of his ability to reach out to a number of First Nations in the last day. He heard back from five. None of those five First Nation leaders — five, presumably, of the 198 — were aware of the terms of the agreement.

This is an agreement that was brought in place only two months ago. So when we look at to what degree that level of consultation has occurred, the government wants to talk lots about how they're attuned to reconciliation and First Nations, but where is that example? It sounds like they're primarily relying on the leadership council. It sounds like they're not consulting directly with First Nations on this. It sounds like they've set up a partnership, put some money across, and that money will sit there until the general partner for this partnership accepts an eligible First Nation. If that acceptance doesn't occur, the funds don't flow.

This is an example of the complexity and the administrative burden that this government has established. Now, we are still trying to learn more about this arrangement. This bill gives us the opportunity, for all members on this side of the House, to talk about our concerns, and that's what members on this side of the House have been doing for the last day and a half. We are still trying to learn all of the details of the arrangements.

The amendments that are proposed in Bill 36 are relatively straightforward to understand on their face, but they need to be understood in the context of this 50-page interim agreement. And I certainly would invite all First Nations, leaders and others, who have not reviewed this yet to get a copy of this on the ministry website — it's a public document — and take a look, because there are elements of details here in the agreement itself….

Certainly, I believe all members of this House would support the principles. There are six named principles of focus: health and wellness; infrastructure, safety, transportation and housing; economic and business development; education, language, culture and training; community development and environmental protection; capacity-building, fiscal management and governance of First Nations. These are the principles for which funding will flow under this arrangement.

In terms of the common objectives, certainly we all want to continue to work with First Nations and Indigenous peoples in this province to enhance economic opportunities and improve socioeconomic outcomes and to provide a way to support First Nations in their right to self-determination, including establishing their own governance models.

[2:40 p.m.]

In looking at the specifics of the agreement itself, there is, for example, a reference to initial periodic review. Here is another opportunity for this government to ensure that the proper consultation has occurred. Presumably, that was the thinking. They put the agreement in place first, with what sounds like top-down consultation, and then provide for a period of time, which is not specified in the agreement as to how long it is, for some review, some reconsideration of the terms of this arrangement. We are still in that interim period, yet this government chooses this time as being the time to bring forward amendments to the Gaming Control Act.

They're bringing forward amendments not before they entered into this agreement but after, after they've committed this province to 25 years of funding without proper consultation with First Nations. We haven't heard that. And as they go forward, there's a lot of backfilling going on, because as we understood in the briefing, the reason this amendment's being provided, of course, is that there's a $3 billion commitment that we will recognize in this current budget year if this amendment doesn't go through.

Well, we know the state, unfortunately, regrettably, of the finances of this province under this current NDP government. There's no room for a $3 billion current commitment.

As we look forward at more details in this agreement, we need to look at….

Interjection.

M. Lee: It would bring forward that $3 billion cost recognition into this current budget year. That's what we understood in the consultation.

As we look at the individual eligible First Nations, their funds will effectively be kept in trust by the partnership. When they look at the term of the actual agreement itself…. If you look at recital K, it talks about allowing the relationship, effectively, between the province and the provincial territorial organizations, which are, specifically, the First Nations Summit, BCAFN and UBCIC…. That relationship may continually evolve.

Well, this is a very fluid arrangement, with a companion partnership agreement which, as we heard from government staff, is not being made available to government

because, of course — we understand this part of it — this is for the First Nations to administer. Now, likely we'd have more comfort around that arrangement if there was proper consultation with every First Nation. But when it's just with the leadership council and when that relationship can continually evolve, these eligible First Nations have no voice in that arrangement.

First of all, they need to be the limited partners of the partnership in the first place. Secondly, if there's any change to this arrangement, it needs to be agreed to by extraordinary resolution. That's not unanimous.

The actual balance that's occurring here is one that doesn't favour every First Nation. It sets up a situation where the funds that First Nations need to deploy it in their communities, as the member for Skeena spoke about in detail yesterday — those very-needed funds — will not be available.

[2:45 p.m.]

So we ask this government: why is it that they found the need to put in place this administrative partnership structure? It seems that it would be more effective to directly provide the funds to First Nations, each of them, to ensure that they're quickly and effectively deployed. The same governance and accountability requirements that are under the partnership agreement or under the interim agreement that's referred to can be ensured or put on each of these First Nations to ensure that they meet those requirements.

There's reference to an indemnity under section 7.3 of the interim agreement. We'll be asking, at committee, the nature of this indemnity and what potential exposure there is to the province.

Of course, the purpose of the amendment under the bill takes away any Treasury Board ability to alter this financial arrangement. So we need to be pretty sure at the beginning of all of this how this is going to function for First Nations and what expectations First Nations have about that revenue flow. It is tagged at 7 percent, and as we know, that 7 percent may not be the same in dollars every year. So we need to look at what expectations this government has raised with First Nations about that revenue flow.

There's also a schedule at the back of the interim agreement regarding expenditures. What is that gaming revenue, anyway? Well, it turns out that that gaming revenue doesn't include certain deductions for certain expenditures. Now, we are talking about gaming. This government wants to talk a lot about their new focus on gaming, yet enforcement and investigations are excluded from this.

There are many elements in terms of how BCLC is run, categories of expenditure that are not being taken into account. As I mentioned, there is no line of sight on the

partnership agreement. So we do not know at this time, for those First Nations that have not signed on and been accepted as limited partners, what their criteria are — the conditions, the terms — that are necessary for a general partner to accept an eligible First Nation into this partnership.

This is the very concern that many members on this side of the House have been speaking to. It's the concern around what we are giving up here — when I say "we," that's all of us, including First Nations — to this partnership, this new structure. Why the need for that? The government should have the responsibility to ensure that those funds get provided directly to all First Nations.

We've talked at length about the distribution formula here. We understand, of course, that it's a 50-40-10 split — 50 percent to all First Nations, 40 percent based on population, 10 percent to be distributed based on whether a First Nation is in a remote geographical location.

Well, that last category is an indicator, certainly a recognition, that for some First Nations who are in remote geographic locations, there's likely — and there is — a greater need for a greater share of funds beyond population and the mere dividing up of funds amongst all the eligible limited partners. That's an indication of need. That's an indication that not all First Nations are in the same economic benefit in terms of their current geography — where they're located, close to resources — and, as I mentioned earlier, the previous government being the first government in Canada to share revenue from resource development.

[2:50 p.m.]

Well, much of that sharing has been going on. That's one aspect of economic partnership in this province. It's one way for real change for First Nations. Certainly, we recognize remote geographic locations and those First Nations that are in areas of the province that are remote — areas that don't have the benefit, necessarily, of the rich resources that others may have.

If we're taking into account remote geographic location, aren't there other indicia or factors of need that we should be taking into account? This is our second suggestion. The first, again, that government distribute the funds under this gaming revenue-sharing arrangement directly to First Nations. Secondly, that the distribution formula take into account other considerations around need. Those considerations can be, in other ways, based on the economic capacity of that First Nation.

There are some First Nations, including ones that are with the traditional territories around my riding — Musqueam First Nation, Tsawwassen and others — that have access, certainly, to greater economic capabilities.

Those that don't…. Aren't those really the First Nations that we're trying to be working with and assisting here? There should be a greater recognition of that need. That's when we have the discussion around whether that distribution model should be altered.

Again, with First Nations who haven't been properly consulted, how will they get their voice heard? This is the opportunity to ensure that we have an ability to ensure that those First Nations are getting the funds that they require and need.

I think that in the context of dividing up the pie…. I heard the House Leader for the Green Party, the Third Party, talk about the other day, in reference to the miscellaneous stats bill, a recognition of the tax base. Well, as we all know, there's only one taxpayer, and we need to consider what's available.

When the Minister of Transportation just spoke, there's one thing that I would quibble with her about, which is that under the Gaming Control Act, there is no set guarantee or limit threshold for funding for community gaming grants. It is at the discretion by appropriation under the Financial Administration Act.

As much as it's been the case that there's been funding made available and that community organizations, like the ones that I used to sit on the board of, that enable, in the case of Arts Umbrella, for example, the expansion of important arts education and training programs to the municipality of Surrey through two new locations…. Community gaming grants are very important to support those initiatives: after-school care, after-school training for vulnerable children and youth who weren't receiving access to any of those additional opportunities to learn, in this case, visual arts.

There are numerous examples, and the member for Cariboo North just went through a number of stories which were very compelling about the reliance of various communities on community gaming grants.

I understand, from the briefing, that the government has said that in their view there will be no impact in this arrangement. I think it's important that we consider, as we look at the Gaming Control Act and we look at the opportunity of setting up a much-needed…. This is the way the government has chosen to do it. Again, as I say, we would see it as based on revenues from resource development and other economic opportunities.

[2:55 p.m.]

If this government wants to follow the lead of other provinces in this country — to put it on gaming revenues — then we need to consider the access and the continued reliance of community gaming grants, that program — that they have steady, reliable access to those funds. Those funds, of course, as we're hearing, are shrinking, in terms of meeting the number of needs in our community.

I appreciate that when we look at this revenue-sharing arrangement, looking out 23 years, we need to ensure that there has been proper consultation with First Nations; that we are working to establish the best funding arrangement to ensure effectiveness of these dollars, these much-needed resources, for First Nations around this province; and that we take into account the recognition of those needs. What are those needs? Treating every First Nation the same, at least for 50 percent of these funds, and then based on population, and only leaving 10 percent of that funding pool for any recognition of geographic or other needs…. We're suggesting that that ought to be considered.

We will have the opportunity to ensure that this funding model, in the interest of reconciliation with First Nations, be done in a balanced and fair way for all of British Columbia, and that we look at, as we go into committee stage on this bill, addressing those concerns.

J. Sims: It's my pleasure today to rise and speak in support of Bill 36, the Gaming Control Amendment Act, 2019. I'm really very proud of our government and of the minister who has brought this legislation forward, because I believe that this is long overdue.

I know that for the First Nations community, this has been a major concern for a number of years. I believe that as far back as 2007, they did raise their concerns with the then government of the day. The First Nations leaders have been presenting a variety of proposals to get game sharing. They had talked about 3 percent of the gross gambling revenue. They wanted it towards economic development.

I also — when you look at history, history is always a great teacher — looked at what the First Nations leaders had to say. They talked about this revenue-sharing being the single most important action the provincial government could take to ease First Nations' poverty and, again, to close the economic and social gap for all First Nations. That's quite a significant statement coming from the people who are the most impacted.

Now, I don't have to review our commitment to truth and reconciliation. As you know, the Premier and our whole government take this very, very seriously, every person on this side of the House. It's not just words that were written in ministers' mandate letters. Every member that is part of our caucus — it doesn't matter where they sit on this side of the House — has a very strong commitment to making truth and reconciliation a reality.

I know there are lots of people who are going to be saying: "Well, we've been talking about this for a long time." I certainly feel that I've been talking about it for a long time, even as way back as the time that I was a teacher.

[3:00 p.m.]

At this time, I do want to recognize the work done by the B.C. Teachers Federation in the area of truth and reconciliation. I have nothing but huge admiration for the commitment of the teachers of this province to move the dial forward, to truly, truly, in this province, have an understanding about truth and reconciliation and to include that and to say that that does not just mean words. It means looking at, first, as the words imply, facing the truth and then moving towards reconciling.

It's not about punishments for the past, because we can't undo the past. We know terrible things happened. I, like many of you, have listened to the stories of grandparents who spent time in residential schools and said that once they came out, their lives were not that great. As a grandfather, he could say that he never learned how to be a dad, how to be a son, how to be a brother, how to be a father and how to be a husband, and that that experience in the residential schools impacted not only him but generation after generation of his family.

We can't undo that, but we acknowledge the harm that was done. What we can do is reconcile and move forward in a nation-to-nation partnership. That is what our government is committed to.

As I started off by saying, I'm glad that we're bringing this forward and that we're bringing this forward this early on in our mandate. Just so you know, Madam Speaker — I know you know this already — we have already forwarded $194.84 million in revenue to account for the first two years of this 25-year agreement that we have reached. For the next 23 years, it is going to be 7 percent, which translates into about $100 million per year. That does factor in the growth rate, about a 2 percent growth rate.

Unlike some of the terms that were used yesterday — and I will be getting into that a little bit later — this money is not being put in a vault. This money is being shared with First Nations across this province so that they themselves can determine how they're going to use it for economic boosts, capacity-building, for education, for language, for culture retention. Part of truth and reconciliation is not in having the answers for others but in enabling. That's what this will do.

This is also a commitment to the long term. You know that when funding is announced on an annual basis, it creates a lot of angst, because people feel they cannot do long-term planning. This allows First Nations to do that long-term planning, knowing that the funding is coming.

I did hear from my colleague across the way that, well, there is no guarantee that it will be $100 million, because the revenues are unpredictable. But we based it on past history. That's why it says 7 percent. It talks about a percentage point. I think all of us — First Nations communities, those on the government side and my colleagues across the way — understand that if it's a percentage, it is a percentage, and that's what it's going to be.

I've also heard: "Well, you know, there are a whole lot of things that could be done with this legislation that isn't in here." I found that a little bit difficult to listen to, coming from members who were in government for 16 long years and had the opportunity to address many of the issues that they now see as a problem. I just want to remind them that it was under their watch that colossal money laundering was allowed to flourish as it did. I want to go on to say that on this side of the House, we are committed to working with the First Nations.

[3:05 p.m.]

We didn't just create a structure. What we need to know is that the First Nations Gaming Revenue Sharing Limited Partnership — a long name, I know — was set up at the direction of leadership from the B.C. Assembly of First Nations, the First Nations Summit and the Union of B.C. Indian Chiefs through the First Nations Gaming Commission. So this is not an imposed structure. This is another structure that has been established nation to nation — a structure that we respect. There is a formula, but no set prescription beyond the formula. That's what going to nation-to-nation agreements means.

Yesterday I also heard some of my colleagues across the way talking about equality a lot — that this was not fair, that this was not equal. I have found, over a huge number of years, that the word "equality" is often used to confuse people.

What we need to focus on is the word "equity." We all must admit that inequalities have existed for over 100 years — inequalities in the type of education and the type of infrastructure, inequalities in the treatment of the First Nations people. Yes, when you have huge inequalities, that's when we talk about equity. Maybe we will have to focus on equity for the next 100 years — I hope not — in order to undo the inequality that has existed for such a long time.

At this stage…. I've heard people say: "Well, you know what? We don't really know what the money is going to be used for." But I think if you take a look at it, it's sort of does talk about it. It can be used for capacity-building, to support governance; health and wellness; infrastructure; economic and business development; education, language, culture and training; community development and environmental protection; and capacity-building, fiscal management and governance. You could go on and on.

I can tell you, as I have travelled around this province over the last two years, that I have seen firsthand the colossal divide that exists between First Nations communities, our rural communities and our urban communities. This is an opportunity for the First Nations to start addressing, with these funds, some of those inequalities that have been imposed on them for such a long time.

Let's talk about education. I hear about that a lot from First Nations leaders — how education is their focus, not just the K-to-12 education and the post-secondary. I

want to do a shout-out to the Minister of Advanced Education for the amazing work that she has done in this area to move forward the dial, to encourage First Nation youth in apprenticeships, to establish a master's and a doctoral program, and also to really focus on education in our First Nations communities as well that responds to those First Nations communities.

Also out of that education, we often forget about language. I'm proud that the minister has allocated money for the reclamation, retention and growing of First Nations languages. I think every one of us in this room recognizes the importance of the mother tongue. I think, as I talk with First Nations, that one of their top priorities is to capture languages that are dying and languages that they are very close to losing. When you capture your language, you capture far more than words. You capture your culture; you capture your history. The importance of first language is recognized by every First Nation across this province.

I know that amazing work is being done. When I've visited some of the communities, I've actually ended up in a room where a class was being given in a first language where the grandmother, the daughter and the grandson were all in the same room, learning a language that that nation almost lost. So some of this money can also be used to augment the teaching of language.

[3:10 p.m.]

Let me also now talk about infrastructure. My other colleagues have talked about housing. I will say that we're very proud of the work that we have done on building homes with First Nations on First Nations lands. But there's also other infrastructure. We know that there is a huge digital divide between our rural and urban communities and an even bigger digital divide between First Nations communities and the rest of us.

There are things so many of us take for granted. For example, when I'm in Surrey and I'm visiting a high school, they're doing a deep-sea dive. They're talking to a diver in the ocean off the coast, just off Bamfield, and they're actually beginning to talk about the flora and the fauna of the ocean bed. They're able to ask questions.

It's hard for us to believe, I know, because there's a lot of connectivity in urban areas, but there are parts of the province, in many, many of our First Nations, which don't have cell service. They can't text. They don't have access to Netflix. They don't have access to education on line. They don't have access to the economic potential that exists when you have that basic infrastructure.

Because of that disparity, the digital divide gets bigger and bigger, of course, as we move forward. We know the importance of having connectivity, not only to access government but to support traditional businesses, whether it is your traditional mining, forestry industry, tourism and fishing, or whether it is to attract the new industries that exist into your area when you have high-speed Internet and you get that connectivity.

Only last week I was in Haida Gwaii and in Port Clements. There, you had tears in the eyes of people because they now have cell service. It's something we just take for granted, but they have that now, and they were so, so happy. But there were other priorities that they laid out at that meeting. Funding like this will allow people in our remote and First Nations communities to be able to focus on what is really important in their community.

I also, at this stage, would like to say that — I was talking about language earlier — my first language, in case any of you didn't know, is Punjabi. I grew up speaking that to the age of nine. When my family moved to England, I then learned English and, later on, French as well.

I know how important it is to retain your mother tongue. I know how important it is. Even then…. I can tell you that when we did the Connected Coast announcement a year ago, at that time, when a director from Haida Gwaii was at the mike, what he said was: "Having connectivity — having a cell phone, having high-speed Internet — is going to allow us to bring our children home. It's going to allow us to keep our language. It's going to allow us to promote our culture, keep our culture and keep us connected."

I think there isn't anything more moving than when somebody says that having access will allow them to bring their children home. As a mother, grandmother and now a great-grandmother, I can tell you that I am so moved every time I think about that clip.

I'm now thinking that as this money, $100 million a year, is shared out amongst the First Nations, they're going to use it for what is a priority in their communities. I cannot decide what is a priority for each one of these First Nations. They know. This is going to allow them to do the capacity-building that needs to happen. That is always part of it. We talk about capacity-building, even in government and in our own spheres. It's very, very important for everybody.

[3:15 p.m.]

I can tell you that yesterday, when the member for Nechako Lakes — this is an exact quote — talked about a quote from a book by Helin, he goes: "It's not about drug or alcohol addiction. It's about addiction to government cheques, money that's coming in from governments. I wonder if there's an attempt, in terms of the gaming revenue and this process…."

I was sitting in my room when I heard this, and I can say that not too many times in my life do I become speechless, but I was made speechless by this. We give out grants as a government — and the previous government did — all the time, to a myriad of groups and organizations.

Having grants given is not new. Having revenue-sharing from gaming is not new either, because we already give out grants. We give out grants to municipalities. We

give out grants to community organizations and health services. I have never heard my colleagues across the way talk about that as an "addiction to government cheques." So why is it, when we're talking about revenue-sharing with First Nations, that what is quoted — they're the exact words — is: "It's about addiction to government cheques"?

Let me tell you that many, many amazing leaders and community members I have met in the First Nations community are hard-working, determined, working for the best of their community. I don't see them as being addicted to government cheques. They are fighting to improve the living conditions on their reserves, on the land and their nation. They're struggling with housing. They're struggling with health care, with access to doctors, with access to nurses. They're struggling with young people who need to be steered and to address mental health issues and other types of addictions.

They are struggling with retention of the language, which is so, so necessary for the preservation of a culture and a nation. They are struggling with economically moving away from some of the older economies and moving into the new economies that require high-speed Internet and other infrastructures.

I hear them talking about how they want to make life better. I hear them talking about how they want to work in partnership, nation to nation. I don't ever see them coming here saying: "I want a cheque because I want to be dependent on you."

I really, really felt badly that those who listened to this would be so hurt by it. Then for the same member for Nechako Lakes to say that this whole thing was "more about paying off friends than it is about actually getting the resources to the bands…." I found that to be insulting and disrespectful and also not comprehending the challenges faced by our First Nations community.

I go back to what we heard from the First Nations. First Nations leaders described the plan as "the single most important" action the provincial government could take to "ease First Nations poverty and begin to close the economic and social gap for all First Nations." That's a quote from the First Nations leaders. That's not something I have just made up.

[3:20 p.m.]

We on this side of the House heard that loud and clear, and we have a clear commitment to reducing the gap that exists, that is so huge.

This small step — because it is a very small step — is not going to set everything right, but it is a small step in the right direction: $100 million a year. As you know, over the course of the next 25 years, that's $3 billion — $3 billion that is going to go into addressing health and wellness, infrastructure, economic business development, education, language, community development, capacity-building and governance, all what I am so proud that our government is committed to doing.

Truth and reconciliation is not just about sharing here. We have been living that for the last two years, and very soon there will be legislation brought forward that will show the commitment that we do have to this. But I do want to say that we have a fairly good record. It would take me a long, long time to read everything into the record, but let me just read a couple of things.

We have been implementing a strategy to increase the number of Indigenous employees to train child welfare staff to provide culturally relevant, meaningful and safe services for Indigenous children, youth, families and communities, because we know that we don't have all the answers. As many books as we might read, as many movies as we might watch, only the First Nations communities really know how to address this, and we're working in partnership with them.

In February 2019, MCFD broadened the education and experience requirements for front-line child protection positions. That's a good thing, because we're doing things from our end that will help to improve the services. We passed legislation that allows MCFD to share more information with Indigenous communities to keep children from coming into care in the first place, so the first priority is to have the child stay in the community.

We've invested $30 million to create more than 600 new, free, licensed child care spaces and expanded Aboriginal Head Start in over 30 communities across this province. These programs support Indigenous families and help them to become stronger and united.

You know what? There's a lot going on in many, many ministries. The work that has been done…. For example, a cell tower in Witset, which was the last First Nations community along the Highway of Tears without cell. As we know, that went live not so long ago. Four provincial parks and one watershed protected area have been renamed to reflect the traditional Indigenous name, to reflect the historic and cultural significance.

There is still so much more that we still have to do. As people travel across the province, and as I have had the pleasure to meet with so many First Nations communities, I hear from them how, for the first time in a long time, they feel heard, they feel included and they feel listened to. When I was in Williams Lake, and we announced a project there, I heard the chief say: "I never believed this would happen." Those are the kinds of things that are happening as we are trying to move down the road of truth and reconciliation.

[3:25 p.m.]

As I said earlier, our truth and reconciliation cannot possibly make up for the wrongs of the past. It cannot. I think it would be foolish for anyone to think that it could. But what it does enable us to do is to have a dialogue, to listen, to face the truth, to acknowledge the truth and, once we have it, to move towards a path of reconciliation

that we can travel down together respectfully, nation to nation. And for us not to see, when we give a grant or grant money from the gaming fund into the aboriginal communities…. I don't want that to be seen as just cheque dependency, when we don't see the grants that we give out to all the other agencies in that way. That just seemed so, so wrong.

Also, you know, one of the steps you have to take as you move towards this road of truth and reconciliation is of using your courage and taking a step forward. When you're stepping forward into unknown territory — which it is, as we move towards nation-to-nation partnership — yes, there are going to be some who are going to say: "There's no level of accountability." But the accountability is there.

The accountability is there with an organization set up by the First Nations that is going to distribute this money. They know the criteria that they're going to be using. I've read it out twice just so that everybody knows that the money isn't just given without anything. There is a list of the things that the money can be used for.

We've got to have that faith. When we give money out to community organizations across this province, whether it be in municipalities or in health services or whatever, we don't then say: "Well, where's the accountability?" The accountability comes as the program gets delivered.

In this province, we do have 203 First Nations. I think we have about a third of Canada's First Nations right here.

Deputy Speaker: Thank you, Member.

J. Sims: Thank you. I support this legislation.

Hon. S. Simpson: I'm pleased to have the opportunity to stand and speak a little bit about the Gaming Control Amendment Act, 2019, Bill 36.

This piece of legislation is intended to fulfil a commitment that was made by our government, a commitment to share a portion of B.C. Lottery Corp. net income with First Nations across this province, and to share it with First Nations in a way that ensures that they make the decisions, that they are the decision-makers, about how that money will be expended and what the priorities for the expending of that money will be.

The commitment is a significant one. It's a commitment for 23 years of dollars, approximately $100 million and increasing annually, as 7 percent of the revenue from lottery net income revenue. It's an important source of dollars.

I know that in discussions that I've had with First Nations who've come to see me in my responsibilities around poverty reduction…. I've had extensive discussions with First Nations around those issues, both on and off reserve, and often the discussion,

particularly on reserve but not exclusively, is very much about the ability, the capacity, for those nations to be able to make choices about how they move forward, to be able to make choices about how they provide supports to folks in their community.

They talk a lot about supporting young people and creating opportunities for young people. They talk a lot about the need to have…. As one leader said to me, when he was very excited about this money coming forward — I think at the last leadership gathering, where the announcement of these dollars was made….

[3:30 p.m.]

I had leaders there, and one in particular I remember talking to me about this money and saying: "When those dollars come, we will be in a position to use that almost as a secured line of credit to be able to deal with other issues in our community."

[R. Chouhan in the chair.]

In that particular case, it was the opportunity to build housing where none had been built for a very, very long time and where the need for housing for members of that nation on reserve was desperate. It was very hopeful and expecting that the ability to go to the bank with this guaranteed revenue source coming in to the nation would allow them to be able to arrange the agreement that they would need to start to address for themselves the housing challenges that they were facing. That really was only a single example.

The resources that are going out…. The first $200 million has gone out to the Gaming Revenue Sharing Limited Partnership, which will be the body. It's a body that was structured under the advice of the First Nations Leadership Council and its member bodies to ensure that there was accountability around the money, which the partnership provides, and, at the same time, that the decisions were being made by First Nations themselves.

What we heard, of course, is the desire to ensure that First Nations would be the people who would make the decisions about how those dollars would be expended and about how those dollars would move forward. That's why, when you look at the criteria, the criteria are very, very broad for the use of this money. Pretty much any legitimate project will find a place within this criteria if need be — for health and wellness; for infrastructure, safety, transportation and housing; for economic and business development; for education, language, culture and training; for community development and environmental protection; and for capacity-building, fiscal management and governance.

That's a very wide net that is cast around the criteria that have been established working in consultation with First Nations to determine that criteria. It's a very wide net

that has been cast and consciously so, to ensure the decisions are made by the nations about how they will expend the dollars they will now come to expect every year.

I heard talk on the other side, of course, about whether there should be other sources of money. Well, you'll know this has been a discussion around gaming revenue for a very long time in this province. I recall it was in 2007 that First Nation leaders presented the previous government, now the opposition, with an investment plan that recommended allocating 3 percent of gross gambling revenue directly towards economic development — to the previous government.

That recommendation and that proposal fell flat. It did not get a positive response from the previous government. We have responded with 7 percent of the net income and created a fund here that will be under the control of First Nations and that will be invested by First Nations at the local nation level, as they see fit, to meet the needs in their communities as they move forward.

This is a critical piece. It's a piece that fits in with the ongoing work that we are doing as government around reconciliation and around what reconciliation on the ground means. We've been investing in housing. We've been investing in looking to support child welfare initiatives. We have invested in supporting the calls to action of the Truth and Reconciliation Commission.

There was significant participation and a path forward developed around the work of TogetherBC, my work around poverty reduction that we continue to work on in partnership with First Nations moving forward, both on and off reserve. We've been supportive of friendship centres, which provide critical services to First Nations people living primarily in our urban centres. And, of course, we will be talking at some point here, not too far down the road, about UNDRIP again and about legislation related to UNDRIP.

[3:35 p.m.]

This is a Premier and a government that is committed to the hard work of making reconciliation work. It was Grand Chief Stewart Phillip who said: "Reconciliation isn't for wimps." He acknowledged that it is work. It's challenging work, and it's work that's complicated. But what's not complicated is to understand at some point that where you determine to share revenue, you don't tie a bunch of strings to the revenue. You share the revenue, and you ensure that the nations have the authority, the authority they quite appropriately deserve, to make those decisions about what will and what won't happen with that revenue that they have.

This legislation, the Gaming Control Amendment Act, does exactly that, and it does that in a structure which is the partnership group, the limited partnership that, in fact, ensures that it is guided with accountability and transparency, but it is guided by

First Nations themselves. Of course, as part of this, the Lottery Corp. has had appointed, added to the board, a director from the First Nations communities.

Now, as we move forward to do this, we've heard from the other side, the opposition, a lot of reservation about this. We've heard comments. But what we have to understand is that as much as they would like to rewrite history, history is what it is. The history of the other side started, very clearly, shortly after they came to power in 2001. When they did that, many will remember, mostly sadly and with some shame about it, the B.C. treaty referendum in 2002, a provincewide referendum on First Nation treaty rights in British Columbia.

The Attorney General of the day called it a chance for ordinary British Columbians to have their say about the treaty process. The government called it an experiment in direct democracy. But as a number of people said, including Angus Reid, a well-respected pollster…. He called it "one of the most amateurish, one-sided attempts to gauge the public will that I have ever seen in my professional career."

Critics called for a boycott of the referendum. Critics, including Indigenous and church leaders, called the plebiscite stupid, immoral, amateurish and racist. That was how the people on the other side started, when they formed government, to engage the relationship with First Nations. Quite honestly, that relationship…. I don't believe they ever recovered from that in terms of building a meaningful, substantive relationship that was based on respect.

Here we are today. We're here today, where we have challenges, including where the other side failed to address issues around the Truth and Reconciliation Commission; where the previous Premier refused, until forced under public pressure, to name a new chief commissioner to the treaty commission that would allow the treaty commission to proceed with treaty work.

In 2012, the Liberals refused to address the Highway of Tears, regardless of what Missing and Murdered Women said. They refused to address the issue of transportation on the Highway of Tears. It took…. Thankfully, when our government came in…

Interjection.

Deputy Speaker: Member for Kamloops–South Thompson.

Hon. S. Simpson: …we addressed the problem. It's something that side….

Interjections.

Deputy Speaker: Minister. Minister, hold it.

Hon. S. Simpson: Disingenuous is the label for that side. Disingenuous.

Deputy Speaker: Minister. Minister, hold it.

That's good. The member has to be in his chair if he wants to make any comments. Thank you.

Minister, continue.

Hon. S. Simpson: There's nobody more disingenuous. They abandoned women in that community. They abandoned women. The ex–Transportation Minister abandoned women in that community.

Interjections.

[3:40 p.m.]

Deputy Speaker: Members.

Interjections.

Deputy Speaker: The minister has the floor.

Hon. S. Simpson: What does this party say now? Unbelievable. What does this party say now?

Let's talk about what the member for Nechako Lakes had to say, his comments regarding this piece of legislation: "It's about the addiction to government cheques, money that's coming in from governments. I wonder if this is an attempt, in terms of the gaming revenue and this process…." Or is it "just another government cheque coming in?" He went on to say, the member for Nechako, as he was talking: "It seems to be more about paying off friends than it is about actually getting the resources to the bands."

Well, I'm not sure who those friends are, but what I do know is that there are thousands and thousands of First Nations leaders around this province — chiefs, chief councillors, councillors, others in First Nations communities, Elders — who are excited about this money, money that will roll, money that will be invested in communities, communities that the Liberals abandoned and ignored for 16 years. They ignored for 16 years. We have an ex-minister over there who turned her back on First Nations communities time and again, has a history of turning her back on them — a history of it.

Interjections.

Deputy Speaker: Members.

Hon. S. Simpson: We have a party over there, a political party, that has misrepresented their position around First Nations time and again.

Interjections.

Deputy Speaker: Members. Members.

Hon. S. Simpson: And sadly….

Interjections.

Hon. S. Simpson: Maybe it's a good thing. Maybe this is a good thing, but during this debate, they have reinforced and demonstrated that again and again and again. It's very sad.

Interjection.

Deputy Speaker: Member. Member.

Hon. S. Simpson: The good thing about this is that people can read this debate. They can look at this debate. They can look at what that side did as they tried to couch in words about caution and accountability…

Interjections.

Deputy Speaker: Order.

Hon. S. Simpson: …the fact that they do not believe that First Nations should get this money. That's the truth. They do not believe it. This is the group over here.

Interjections.

Deputy Speaker: Order, Members. Members.

Member, take your seat.

Interjections.

Deputy Speaker: Order, Members.

Interjection.

Deputy Speaker: The member for Prince George–Valemount will come to order.

Interjections.

Deputy Speaker: Members will come to order now.

That's enough, member for Prince George–Valemount.

Interjections.

Deputy Speaker: Members, are you not listening? Members, come to order, please. Enough. One member at a time. This member has the floor, and if people disagree with it, they will have time to counter it. Please let's be respectful.

The minister will continue.

Hon. S. Simpson: Thank you, hon. Speaker. I don't want to just….

Interjections.

Hon. S. Simpson: Let's talk about other members on that side. What about the member for Kelowna West? What did the member for Kelowna West say in the debate on this bill? That "…lots of money has gone to First Nation communities and through organizations where perhaps maybe there's no level of accountability."

This is about a side that just…. It's the nudge-nudge, wink-wink implications that we hear from the other side. That's what we hear.

[3:45 p.m.]

What I'm pleased about is that this bill is going to pass. It's going to pass, and it's going to put in place a structure that ensures that there are core dollars going to First Nations across this province, dollars that they will have control over, dollars that they will make decisions about, whether it is to support young people, whether it's to support housing, whether it's to support necessary infrastructure improvements, whether it's to lever, moving forward, by being able to access other dollars by having these dollars to lever those dollars forward.

This is part of what reconciliation's about. This is part of what coming to responsible agreement is about. This is about what partnership will be about.

We are doing the right thing here in terms of moving this bill forward. I'll be very interested to see where the other side votes when it comes to a vote on this bill. I'll be very interested….

Interjection.

Hon. S. Simpson: Oh, the member says that. I'll tell you that the nudge-nudge, wink-wink on that side is pretty good, but we'll see where they actually vote when they have to actually stand up and vote.

We can make decisions here. We are making a decision here about whether to move forward and show respect for First Nations and for their leadership. But that side…. Respect for First Nations has not been part of the history of that side. That's sad and unfortunate. We're changing that, and one of those changes we will deal with, with this bill.

Thank you very much. I appreciate the opportunity to spend some time.

Interjections.

Deputy Speaker: Let's talk about respect.

Interjections.

Deputy Speaker: Members.

This House will be in recess for five minutes.

The House recessed from 3:47 p.m. to 3:48 p.m.

[R. Chouhan in the chair.]

J. Brar: I feel proud to stand up in this House to support the Gaming Control Amendment Act.

This is about historic justice. This is a choice. Our government made a choice. The previous government made their choice. This is about building a province that's more fair, more just and more equal. This is about providing equal opportunity to all British Columbians.

Indigenous people deserve respect and equal opportunity to realize their full potential. We cannot pretend there is no issue with First Nations. We cannot pretend that. They are struggling with a number of issues, whether it's the economy, poverty, child welfare and other cultural issues.

[3:50 p.m.]

I will tell you a story. In 2012, I accepted the welfare challenge to tell the story of the people living in poverty. I stayed on welfare for one month — 15 days in Surrey and 16 days in downtown Vancouver. During that time, I met a lot of people and listened to their stories. Those stories were very painful.

I just want to say to you, Mr. Speaker, that the experience I went through was shocking, painful and eye-opening.

I will tell you a story. One day I was walking in the evening in downtown, on Hastings Street. I met a fellow. He came to me, and he told me a story. His story is this. He told me that he was 40 years of age when he came to Vancouver. He was desperate to find a job, and he did find a job. He found a job in the construction industry, and he worked in the construction industry for 15 years — 15 long years.

After 15 years, because of the situation in the economy, he was laid off. What he told me at the end was that he was now looking for a job. He did everything possible that he could do to find a job. But he couldn't find a job, because he's 55 and he's First Nations. That's what he told me. He's First Nations. He ended up on welfare, and he was living in a downtown SRO building. He told me he was living in that building with 20 other people on the same floor with one washroom. That's the story he told me.

But what happens, what I hear from the members of this community from time to time, when they blame people like that individual — that they don't want to do work, that they just want to stay on welfare…. That is shocking to me, going through this experience, that we blame people who are honest and who want to work and who want to live a life with respect and dignity. That's one issue.

If we look at the challenges that First Nations are facing, poverty is a huge issue. We all know that. It's surprising to me that poverty in First Nations is bigger than even the newcomer communities who just came to this country a few years ago. That is shocking. That is really shocking to see — that they have way more poverty than the newcomer communities.

The child welfare issue is also very serious. Forty percent of children in the care of the government are children from First Nations. That also is very, very disproportionately high when we look at the number of those children.

The First Nations have been looking for help for too long. They tried to work with the previous government. The First Nations leadership, they asked for the gaming revenue-sharing to be negotiated by the previous government in 2007. They actually presented a plan to them. But the previous government didn't listen to them. They refused to listen to them at that time.

In fact, the first thing I want to say is there are two different perspectives. We want to work with them. The other side, they clearly don't want to work with the First Nations people. The first thing the B.C. Liberals did when they came to power in 2002 is they conducted a referendum. The B.C. treaty referendum was a provincewide referendum on First Nations treaty rights in British Columbia, Canada.

B.C.'s Attorney General at that time, Geoff Plant, called it a chance for ordinary British Columbians to have a say in the treaty process. The government at that time called the referendum "an experiment in direct democracy." The polling expert Angus Reid called it "one of the most amateurish, one-sided attempts to gauge the public will that I have seen in my professional life."

[3:55 p.m.]

This strategy is very simple. For them, when you want to help the minorities, call for a referendum. It's a divide-and-rule strategy. It's very simple. That's what happened at that time, and that's what they did.

The First Nations at that time presented the previous government with the B.C. First Nations investment plan. The plan recommended allocation of 3 percent of B.C.'s gross gambling revenue directly towards economic and community development initiatives in Indigenous communities. At the time, First Nations' leaders described the plan as the single most important action.

But what happened? B.C. Liberals didn't listen to the First Nation leadership at that time. This is, again, not the first time they failed to listen to First Nations. If you look at the history at every step, the B.C. Liberals have failed to take any meaningful action to support First Nations. That's the reality.

Highway of Tears. I know the previous speaker, my colleague here, mentioned about the Highway of Tears. I went to Prince George in 2012, I think, and there was a community forum. At that time, it was a forum where the First Nations of the local area came together to talk about the Highway of Tears and how the First Nations' young females, particularly, get abducted from the highway and then raped and, subsequently, murdered.

At that particular event, there was family after family…. I think there were seven families, and they told their stories about their situations. At that time, the key thing they were asking for, of course, was reliable transportation on the Highway of Tears.

I know my fellow member who spoke before me, he made the question that the government of the day, at that time, did not listen to their requests. That's true, because nothing happened at that time. That's absolutely true.

What else can we actually say? The member on the other side will believe that whatever that part of the situation is…. The choice is very clear that we want to work with the First Nations. They don't want to work with the First Nations. That's a very clear choice.

We are proud to introduce the Gaming Control Amendment Act. The act will entitle B.C. First Nations to a portion of B.C. Lottery Corp.'s net income for 23 years. In

Budget 2019, the province committed to sharing 7 percent of the net provincial revenue from gaming with B.C.'s First Nations for 25 years.

I'm going to repeat. I know there were questions from the other side about what exactly is the amount. The amount is 7 percent of the net provincial revenue from gaming with the B.C. First Nations for 25 years. That's what the sharing is. It also increases the maximum number of directors of the B.C. Lottery Corp. to 11 to facilitate the appointment of one position for a First Nations' nominee. This will create a reliable, long-term revenue stream for First Nations as part of our commitment to reconciliation.

It will ensure First Nations have a stable, predictable source of income to fund economic, social and cultural activities that directly benefit the people who live in their communities. Each First Nation can use the gaming revenue to support their own priorities, like improving social services, education, infrastructure, cultural activity and self-government capacity. It's all about giving them power to make determinations about their own futures and creating their own services, whether it's building infrastructure or improving education and social services. That's the key.

[4:00 p.m.]

We have already transferred nearly $200 million to the newly formed B.C. First Nations Gaming Revenue Sharing Limited Partnership, providing the first two years of shared gaming revenue.

One of the questions the members from the other side have asked is if this revenue may intervene on other revenue streams. But I would like to make absolutely clear that this new gaming-revenue-sharing arrangement will not affect the funds that currently go to municipalities, including First Nations, who host gaming facilities, community organizations and health services. The agreement is expected to provide participating First Nations communities with approximately $100 million. It's $100 million per year, and the province is expected to share about $3 billion with B.C.'s First Nations over the term of the agreement, which is 25 years.

This is a commitment made by this government. I think this is the right commitment, and this is a long-term commitment so that the First Nations can make decisions about their futures and build the services or the infrastructure they need to build. This will of course allow them to make a determination about what kind of services they need. Sometimes the services that are available outside in the community may not be culturally appropriate to First Nations, but with this stream of money they can certainly improve the social services they need, they can improve the infrastructure they need, and they can certainly improve the capacity moving forward. That's the intent of this bill.

I just want to conclude by saying that this is a matter of choice. We made the choice. Our government is making a choice to support the First Nations, to provide them

long-term, sustainable funding so that they can improve the services they need to improve. That's our position. On the other side, the First Nations have been asking for this kind of funding for too long.

As I said earlier, in 2007, they approached the previous government with a very specific proposal, a proposal asking for sharing the revenue at that time. The government of the day, which was the B.C. Liberal government at that time, completely refused to provide that funding sharing at that time.

We, the B.C. NDP government, at this time, have made this determination, and we are going to provide the funding they need to improve their services, to build their infrastructure so that they can move forward. This is all about building a province that's more equal, that's more fair, that's more just, that provides equal opportunity to all people — particularly, in this case, to First Nations people so that they can realize their dreams, as well as other people in the province.

With that, Mr. Speaker, I would like to thank you for the opportunity for me to speak on this bill.

A. Kang: I rise today to speak in support of Bill 36, the Gaming Control Amendment Act.

This act will ensure a stable, long-term source of revenue for B.C. First Nations by providing First Nations with 7 percent of B.C. Lottery Corp.'s net income for the next 23 years. This new revenue-sharing agreement will support self-government and self-determination for First Nations communities across B.C., making lives easier for families.

Mr. Speaker, as you have heard many of the members on this side of the House comment, our government is committed to true and lasting reconciliation with Indigenous people, and this is one of the most important steps that we are taking. This long-term agreement will result in approximately an additional $100 million per year of funding for eligible First Nations. By 2045, this will add up to approximately $3 billion.

Under the current government, our economy continues to grow, the lives of our workers continue to improve, and all British Columbians continue to have more to spend in their pockets. In fiscal year 2017-2018, the province collected approximately $1.4 billion in net revenue from gaming activities.

[4:05 p.m.]

With our strong economy, Bill 36 is a major step to share the prosperity of this province, and it allows our government to uphold our commitment to reconciliation.

In 2007, as many of our colleagues have mentioned already — I would also like to emphasize this historical change — First Nations leaders presented the previous government with the B.C. First Nations investment plan. They recommended allocating 3 percent of B.C.'s gross gambling revenue directly towards economic and community development initiatives in First Nations communities. In that conversation, First Nations leaders described the plan as the single most important action the provincial government could take to ease First Nations poverty and begin to close the economic and social gap for all First Nations.

But their voices fell on deaf ears. Unfortunately, the former government did not make the commitment at that time. Now, more than ten years later, earlier this fall, the province shared $194.84 million with First Nations under an interim agreement to cover the first two years of a 25-year commitment to shared gaming revenues.

The B.C. Assembly of First Nations, First Nations Summit and the Union of B.C. Indian Chiefs have directed the establishment of the B.C. First Nations Gaming Revenue Sharing Limited Partnership, which receives, manages and distributes gaming revenue funds. Our provincial government has already transferred nearly $200 million to the newly formed B.C. First Nations Gaming Revenue Sharing Limited Partnership, providing the first two years of shared gaming revenue. All First Nations communities in B.C. are eligible to become members of the limited partnership and receive distribution of revenues.

This agreement has been long overdue, and the interim agreement ensures that there was no delay in funding while this legislation was to be introduced.

This legislation is important in creating a reliable, long-term revenue stream for First Nations to participate in the wealth of our province. The long-term revenue stream also offers opportunities for First Nations to prioritize community issues that are important to them. Just to name a few, these issues could include health and wellness, infrastructure, safety, transportation and housing, economic and business development, education, language, culture, training, community development and environmental protection.

B.C. will be the first province in Canada to introduce legislation to implement the United Nations declaration on the rights of Indigenous peoples, mandating all provincial laws and policies to be in harmony with the declaration.

Being a teacher, I am always especially excited to talk about education. I am very proud of the work that the Minister of Education is doing in our school system and for First Nations students. Our government has been making progress in the area of education. Education is one of the key parts to reconciliation. Our government built Indigenous content into all grades and subjects in B.C.'s new curriculum.

I want to use this opportunity to thank all the teachers out there, the BCTF, for your efforts and commitment to be part of truth and reconciliation and to bring our children into the conversation. Now students from K to 12 will be able to gain knowledge of Indigenous content, to be in the conversation of truth and what B.C. is committed to doing about reconciliation and to learn about the beautiful and rich history of Indigenous people in B.C.

B.C.'s new professional standards require teachers to commit to truth and reconciliation and also healing. To highlight the successes of our Indigenous students, our public schools have designed one non-instructional day for teachers to focus on Indigenous student achievements. Our government has invested $400,000 towards Indigenous teacher training, seats and curriculum development at B.C. universities. In addition to that, we've built new Indigenous-focused courses to be offered in a new B.C. graduation program.

Improving education outcomes for First Nation students is central to the self-determination and well-being efforts for First Nations in British Columbia. We are leading the way as the only jurisdiction in Canada with a tripartite agreement that ensures an equitable education for First Nation students, no matter where they live.

[4:10 p.m.]

Our government remains committed to creating an equitable education system that supports all students to succeed. In fact, this is an issue that is cross-ministry.

True and lasting reconciliation takes time, and our government is making progress because working together means a stronger B.C. The ministry of Advanced Education, Skills and Training is investing $2.7 million in Indigenous teacher training programs. With our commitment to First Nation education of students, I'm so happy to see that Indigenous students in B.C. are completing secondary school at the highest rate in history, with 70 percent completing high school. That's an 8 percent increase over the last four years and a 4 percent increase in the last year alone.

There's so much more that we need to do to continue our work to support true and lasting reconciliation with Indigenous people. Our government remains committed to creating an equitable education system that supports all students to succeed. Bill 36 will guarantee financial security to First Nation governance and allow long-term fiscal planning.

I would like to take a moment to thank Grand Chief Joe Hall, a former chair of the B.C. First Nations Gaming Commission, and all of the First Nation leaders who have long advocated for revenue-sharing agreements. It is incredibly exciting to see decades of advocacy and hard work come to fruition. The least that myself and all my colleagues in this chamber can do is to pass Bill 36 to formalize this agreement.

Bill 36 will also provide an additional $2 million to the B.C. First Nations Gaming Revenue Sharing to cover legal fees. Continuing our commitment to reconciliation, Bill 36 also increases the maximum number of directors of the B.C. Lottery Corp. from nine to 11 to facilitate the appointment of one position for a First Nation nominee. This will bring their voices to the table as well. To truly share the wealth from gaming revenues, it is important for this government to invite First Nations to have a voice.

Finally, it is important to note that the new gaming-revenue-sharing arrangement will not affect funds that currently go to municipalities, including First Nations who host gaming facilities, community organizations and health services. Currently, five other provinces in Canada already have this revenue-sharing agreement. Bill 36 will allow British Columbia to move forward and align ourselves with those provinces. This bill is long overdue.

When First Nations are well funded, stronger, our province becomes stronger. With that, I strongly urge all members from all sides to vote in favour of Bill 36.

Hon. G. Heyman: It gives me great pleasure to rise to speak in support of Bill 36, the Gaming Control Amendment Act, one of a number of measures our government is taking to walk the long road to reconciliation and help, in collaboration with Indigenous nations, build a more stable, predictable, sound model of funding and support for a whole range of community, cultural, social, educational and economic needs.

One of the privileges that I've had in my position as a minister is to regularly be involved in initiatives of collaboration with Indigenous nations and peoples; to be asked to address gatherings, whether it be at the First Nations Leadership Council, the B.C. Assembly of First Nations; and to attend individual nations' events or meetings with individual nations or groups of nations, the Union of B.C. Indian Chiefs.

At each of these events, it's been a privilege to learn the history, the culture, the approach of these nations to government-to-government engagement and also to hear firsthand about the challenges, the hopes, the aspirations, the activities and the initiatives that Indigenous nations are taking to rebuild, in many cases, the fabric of their culture and societies that have been torn apart for a variety of reasons.

[4:15 p.m.]

Not the least of which is the colonial history of this country as well as the many, many — "regrettable" hardly begins to describe it — initiatives such as residential schools, the taking of land, the killing of languages, the outlawing of cultural practices and the general impoverishment of nations. In that context, it is always surprising to me that Indigenous people have goodwill. They have hope. They have incredible intelligence. They retain and rebuild that connection with their culture, with their language and with their values, while at the same time adapting those to a modern

world and looking for ways to have genuine engagement and respectful interaction with the rest of us who now live in this place.

In my ministry in particular, we had a long process that led up to last fall's introduction of the Environmental Assessment Act. It's an act that's built on the principles of the UN declaration on the rights of Indigenous peoples and the desire of our government to see environmental assessment and consensus-based decision-making and collaboration with Indigenous nations be a tool, along with the environmental assessment office, for implementing the principles of UNDRIP.

It's for us to provide greater certainty for Indigenous nations, for communities, for industries in British Columbia and for all of us as we develop a model of culturally respectful, environmentally sensitive and sustainable economic development through a process that involves, engages and collaborates with Indigenous people from the very first stages of assessment, that respects Indigenous culture and language and that respects the knowledge that Indigenous people have of the land on which they live and we live, and on which we often propose industrial development.

We are currently working in collaboration with an Indigenous implementation committee, with the B.C. First Nations Leadership Council and with the First Nations Energy and Mining Council to develop regulations that will give life to this act, on policies that will eventually give life to the application of Indigenous knowledge to a process that I think will make British Columbia a more stable, better, respectful and reconciled place in which we can all live and prosper.

That's one action that we can take to implement the UN declaration and reconciliation. This act is another one. This act, I think, is not the only step but a critical step on the path to reconciliation and the path to saying to Indigenous nations: "You have ideas. You have capacity. You have intelligence. You have needs. And you need some stable sources of funding in which to develop your economies; protect your culture; develop infrastructure; address the health of your people; protect education, language and culture; and develop your communities as well as your capacity to implement sound fiscal management practices and procedures."

Since 2007, Indigenous people have been seeking a share of gaming revenue as a way to achieve this ideal. They were repeatedly told no. They were repeatedly told no by the previous government because it was easier to say, on a transactional basis: "If you do this, you get this. If you do this, you get that." But that is not providing stability. It is not providing capacity. It is not a respectful way to engage and to recognize that we, overall, as British Columbians, have a debt to Indigenous people.

That debt isn't simply a monetary debt. The debt is one of replacing decades and decades of neglect, of taking advantage, of impoverishment and of removing resources with a repayment of helping to build capacity and taking steps toward real reconciliation and real collaboration.

[4:20 p.m.]

When First Nations told us again that receiving a share of gaming revenue on a predictable, steady basis and allowing them, themselves, and their people to make decisions about how to use that funding to support a variety of defined initiatives…. We found a way to say yes. And that yes, of course, was to say that we will dedicate 7 percent of gaming revenue over a 25-year period to First Nations. That is incredibly important. We're factoring in a 2 percent annual growth rate. We expect over the term of the agreement to share $3 billion with First Nations. Earlier this fall we shared almost $200 million in revenue to account for the first two years of the agreement while we were negotiating the remainder of the agreement.

The First Nations Gaming Revenue Sharing Limited Partnership will be responsible for receiving, managing and distributing these funds to participating First Nations. Participating First Nations, of course, will be living within the guidelines and the parameters that are established around this funding envelope.

That's important to note, because it is disappointing to me that we can't all come together in this House and recognize the safeguards that are needed to ensure that the revenue is used for the stated purposes. The purposes are health and welfare; infrastructure, safety, transportation and housing; economic and business development; education, language, culture and training; community development and environmental protection; capacity-building, fiscal management and governance. Those purposes are ones on which we should all be able to agree.

We should all be able to agree that it isn't up to us within those parameters to be mistrustful of the capacity, the goodwill, the checks and balances that will be built into the structure that has been established — the gaming revenue-sharing partnership — to ensure that the funds are productively used as they're meant to be used.

It is not up to us to control every piece of the pocket of money. It is up to us to say to Indigenous people: "You have for many years asked for a small share of gaming revenue to replace decades of resources and capacity that were taken from the land that you originally inhabited, from your traditional territories."

This is not everything that we can or need to do, but it is a step. Part of the step is not just the financial nature of the step. Part of the step is the relationship. Part of the step is building capacity in Indigenous nations or providing funding for them, themselves, to build the capacity to continue their traditions and culture of self-governance and support each other with capacity. It is not up to us to be controlling and judgmental in that regard. It is up to us to negotiate with the Indigenous peoples themselves, and the agreed-upon set of parameters for the use of this portion of the funding, and then sign the agreement and let it happen.

Again, I'm not clear why we can't agree upon that universally in this House. I hope that in the end, we will, because I think it is an important signal to Indigenous people in British Columbia that all of us have a goal of reconciliation, that this is a piece of the path toward the goal of reconciliation, the path that we have all agreed to walk.

Let me go back to what I've learned in many of my meetings with nations and the stories I heard that shattered stereotypes I didn't even know I had, stories about the history of some of the Elders and what they used to experience in their territories and land, how they used to govern themselves, how they used to pass on knowledge, tradition, laws and culture and how they've been trying to rebuild that.

It was rent asunder, as families were rent asunder, as the governments in Canada and British Columbia believed that we knew better, that we had the best model and that Indigenous peoples needed to fit into our model rather than continue their own culture, their own traditions, their own knowledge, their own laws and their own ways of life on their own unceded territories.

[4:25 p.m.]

This is not new in Canada. As my colleagues have pointed out, this revenue-sharing agreement will align with other governments in Canada — like Alberta, Saskatchewan, Manitoba, Ontario and Nova Scotia — which already share gaming revenue with First Nations.

This isn't a question of a system that is not going to have safeguards, controls, reporting mechanisms and parameters. All of those things are in place. This is not a bill or an act on which we should have partisan agreement. This, I believe, is an initiative that we should all agree is long overdue, that we should all support, that we should all celebrate, that we should all agree together is a small piece of our commitment and our obligation to reconcile with Indigenous peoples in this province, Indigenous peoples who almost universally never ceded their territory or signed treaties but who have simply been living in this province, which we have occupied to great profit.

There is much remaining to be done, but this is a small piece of a step forward. It is an important concrete as well as symbolic move we can make, and I urge all members of this House to support this bill and to say in unanimity to Indigenous people in British Columbia: "Our intention is true, meaningful and full-hearted reconciliation."

Hon. M. Mark: It is always my honour to stand in these chambers and to take my seat as the member for Vancouver–Mount Pleasant. I'm also very proud to be Nisga'a and Gitxsan and Cree and Ojibway. I wear my grandmother's necklace with pride, from the Nisga'a Nation. So it is my honour to stand here in these chambers to support Bill 36 and the gaming revenue-sharing act.

I appreciate many of the remarks that have been delivered in these chambers. I guess that I just want to start with what an historic time we are at. It is 2019.

Former politicians, former elected officials, went to great lengths to wipe out my relatives, and we survived. Not only have we survived, but Indigenous people are the fastest-growing population in this country. We know the statistics of Indigenous peoples with respect to overincarceration in jails and overrepresentation in the foster care system, and poverty and missing women. That is a narrative that we need to stand up and reject. We have to reject, as the Minister of Indigenous Relations and Reconciliation says…. We have to disrupt the status quo.

I believe that our government is doing just that. Reconciliation without action is meaningless. This is a negotiation, what we are talking about. The changes that are going to happen that I referred to as being historic have been called for by First Nations since 2007, for some First Nations. First Nations have been asking for gaming revenue-sharing to be negotiated by the province for years, and in 2007, First Nation leaders presented to the previous government the B.C. First Nations investment plan. The plan recommended 3 percent. Our government is taking things a little bit further — 7 percent.

I've heard all sorts of remarks in these chambers, from the members opposite, on why 7 percent, why this or that. The bottom line is: we have a lot of work to do to turn things around when it comes to our relationships with Indigenous people, the true stewards of this land, the caretakers of the land, which many of us are proud to acknowledge when it comes to an opening of an event or what have you. But the real reconciliation means making choices, and our government believes that this was the right choice.

[4:30 p.m.]

Members opposite can talk about all of the choices that they made, but for 16 years, they didn't make this choice. This was an easy choice for us.

I want to share with you what this means to Judith Sayers. "We've been waiting a long time for this," says the president of the Nuu-chah-nulth Nations. "I have personally been involved in trying to get this going for 13 years, and it's been at least 30 years that First Nations have been doing it. So it's a good day."

[J. Isaacs in the chair.]

I can spend time talking about the mechanics of this legislation. Bottom line: it will create a reliable, long-term revenue stream for First Nations as part of our commitment to reconciliation. This stable, predictable source of income to fund economic, social and cultural activities, the use of the gaming revenue to support their own priorities — this is self-determination. It will enhance social services, education, infrastructure, cultural revitalization and self-government capacity.

But I want to pause for a moment, because I think it's important for those that are going to look back at the historic time that we're in. I'm the first Nations woman to ever get elected to stand in these chambers, and that only happened in 2016. So the fight has been….

Interjection.

Hon. M. Mark: Thank you. I will always thank you for acknowledging the resilience of my relatives to survive and their goal to have thriving communities. That drive is for self-determination.

It does bug me. It irks me. It hurts me when people stand in these chambers with such pride to represent their communities and bring fear into these chambers as though those dumb Indians aren't going to be able to manage their affairs.

Those days are over. We need to stop talking about Indigenous people like they're some dumb Indians. That paternalistic approach is the way of the past. What my generation is calling for and what my ancestors have been calling for is change. We want prosperity in our communities.

I want to quote some of the fearmongering, because I think that people at home need to understand. When you look at an MLA, we should all stand with pride that we represent all of our constituents equally. This act is about sharing gaming revenue, a long-term commitment for 25 years, embedded into legislation. We had some members opposite — former cabinet ministers, to add to that — saying that this is about paying off friends. Seems to me more like "about paying off friends than it is about actually getting resources to the bands."

Let's quote another one: "The challenge that the nations have faced can be summed up quite nicely in a book that Calvin Helin wrote called *Dances with Dependency*. It's a very interesting book. It's not about drug or alcohol addiction. It's about addiction to government cheques, money that's coming in from governments. I wonder if there's an attempt, in terms of the gaming revenues and this process…. Is this not just another government cheque coming…?"

Shame. Shame on the member opposite for saying such an ignorant thing. Shame on going around and acting like: "Ho, ho. We're all in this together. We respect our First Nations." You know, say that to the Chiefs. Go out and tell the Chiefs that you think that we're standing there with our hand out.

We were and we had thriving conditions as Indigenous people. The only reason why we're talking about reconciliation is because elected officials of the past took deliberate and calculated measures to take our communities apart. The fact that we're standing…. I am so proud. I'm so proud that my families, families across this province, have fought for our land.

We are fighting for a share. That is what this is about. This is about a share in resources. It is about a share in saying that we, our B.C. NDP government, are going to do things differently.

I know I don't have a lot of time because my colleagues are very passionate about having the opportunity to talk about turning things around. That is reconciliation in action.

[4:35 p.m.]

It's a historic moment. When I think of the list of Indigenous people bringing programs into their communities on health and wellness, infrastructure, economic business development, education, language…. These are going to be game-changers. The gaming revenue-sharing is going to be game-changing for First Nations people across this province, and I'm so proud to be standing in the chamber, to be able to take that action to make it happen.

I want to acknowledge one of the members opposite's comments, who referred to visits as a cabinet minister to the significantly shoddy conditions these people live in. We cannot turn our eyes. We cannot be blind to the issues. Right now, in a federal election, we are talking about Indigenous people, people across this country that don't have clean drinking water. Shame. Shame on the people that ignored those issues. Shame on the people that have ignored, didn't have the guts to stand up and do the right thing for First Nations people.

This isn't about my bias as a First Nations person. It's not because it's my relatives that might have better conditions than those shoddy conditions that the member opposite referred to. Our job as elected officials, to be in government, is to make our communities stronger and brighter, and this gaming revenue is going to do just that.

Madam Speaker, thank you for the opportunity to share a few words.

T'ooyaḵsiẏ ṅisiḿ.

N. Simons: My friend and colleague the Minister of Advanced Education, I know, has another meeting to go to, and I was just really pleased to hear her comments on this bill — from the heart and from her experience and from her teachings, and I appreciate that very much, as I appreciate the comments from all of my colleagues that were intended with goodwill and with hope for the future.

It's in that spirit that I'd like to just offer my support to this important piece of legislation that is just one part of many parts of many efforts, in past and future, to address the situation, the circumstances that our province is currently in. And that is that we are decidedly on a path towards improving, strengthening and creating a relationship

among each other as citizens of this province that is healthy, that is based on mutual respect, and that's based on an understanding of where we've come from and where we hope to be. And I think that this bill in itself is specifically addressing some inequality that has existed in the past.

The province receives a lot of revenue from the Lottery Corp. — everything from the gambling and gaming and lottery and Scratch and Wins. The province gets a lot of money as revenue. It has been a long-standing concern of ours that this fund, these funds, are shared among our communities, and I'm really pleased that after a long, long time, after significant effort and years of advocacy, government has agreed and has figured out, in discussions and deliberations with the leadership council and those that they represent, to find a way, a mechanism, to ensure that Indigenous communities have access to a share of that gambling revenue.

I'm pleased, because I know that it's part of a larger effort. It's not, in and of itself, the accomplishment that we look for. It's part of one step towards addressing some of the issues that we've never before addressed. For that reason, I think that the legislation before us should be celebrated. I'm disappointed a bit that some of the comments from the opposition didn't reflect that celebratory tone and, rather than addressing certain issues that may be of concern, some words were used, I think, that create more division than necessary.

[4:40 p.m.]

I don't want to ascribe any motivation to those words, but they were not based in what I believe to be British Columbians' understanding of where we are now, where we are as a society, as British Columbians. We have to do a lot to ensure that our communities are healthy — all of us, throughout the province. We have poverty in every community. We have challenges around opioid use, around crime. We have challenges around the environment. We share these challenges. We recognize these, and we try to address these challenges with good policy, good legislation.

In this particular case, the government of the province has recognized the need for funds for programs in Indigenous communities that don't have other sources of funding, per se. When we see an opportunity for communities to apply for funding for projects that are specifically important to their communities, I think that's a good thing.

With respect to this legislation, Indigenous communities will have access for funding to deal with health and wellness; infrastructure, safety, transportation and housing; economic and business development; education, language, culture and training; community development and environmental protection; and capacity-building, fiscal management and governance. I, for one, am very pleased to see that.

It's not a question of this in itself addressing all of the issues that we need to address, but it's an important part of that. I recognize that many people don't like the

idea that we can pass laws that will lead to reconciliation, and I think reconciliation is truly between people, with an understanding of history that recognizes that we've made mistakes. We have been, perhaps, not forthright and, clearly, not quick enough in addressing some of those failures, but here we are now. Where there might have been ambling towards a better relationship, I think we're now in a jog.

I think we're getting more…. I think that we, as colleagues and as government caucus, recognize that in order to be successful as a province, we need to have equality. We need to have opportunity, equal opportunities around this province, and this is what, in part, this legislation strives to do.

Yes, there have been revenue-sharing agreements in the past on resources. There have been agreements and memorandums of understanding addressing many areas, many sectors. This, in particular, is the sector where revenue is accrued by government and should be allocated where needed. And communities apply for gaming funding. Indigenous communities will apply for gaming funding, and I can see nothing negative about that.

I have confidence in the capacity of agencies to manage the funds. We have a system of accountability that is for everyone. There are opportunities in this legislation that provide for communities that may not have had opportunities for funding in the past. So $100 million a year, with $200 million already in the fund, for 25 years is a significant investment. I think British Columbians around the province are going to be very pleased that this opportunity exists.

We don't need praise. It's not about that. The government is doing what is necessary in order to address some of the wrongs of the past in order to create a better future. I'm glad we're doing this, and it's about time that government did this. But, really, the credit goes to the Indigenous communities that have, as we heard the previous speaker talk about, the resilience.

[4:45 p.m.]

This is a result of that resilience. This is an example of what happens when that commitment towards justice doesn't stop. It will continue, and there will be more efforts, and there will be more agreements that will address the wrongs of the past. This is just, as I said, a small step in that larger picture.

It's not a partisan thing. It happens to be that at this time, we're here, and we've made this a priority. I'm quite sure that members opposite recognize that this is an important step. And I'm quite sure that they'll be supporting this legislation. They may have questions about how it's administered, and I think it's fair. The opposition is, having been all too familiar, all too familiar…. I recognize those benches still.

Interjection.

N. Simons: I didn't say 16, because I was only elected for 12 of those — for 12 years.

I think it's important to know whether the structure, the format, is correct. I know, from the communities that I represent — in particular, the shíshálh Nation has expressed pleasure — that they're pleased that this program is going to exist. They're entirely comfortable with the process. I haven't heard much negativity about it, and I think that as it's explained from a neutral and a reasonable perspective, most people in this province will see this as a good tool to help communities address needs that are specific to them.

There are larger Indigenous communities and smaller ones. They have their unique needs. And I only hope that this funding will go some distance towards improving the quality of life of Indigenous people wherever they live in this province.

I think that our record in this area is good. I think we also recognize that we have responsibilities, as government, to ensure that we adhere to court rulings, that we commit to the values that we got elected on — and that includes incorporating the United Nations declaration as a basis for the legislation that we pass — that we commit to the calls to action that were made, in addition to responding to, for example, the Ed John report on child welfare.

We're not going to accomplish it all at once. There will be bumps in the road. We will have challenges. We will not always find unanimous agreement, but I think that from the perspective of the provincial government, a sharing of the gaming revenue is a good way to continue that process towards, in the spirit of, reconciliation. I don't think reconciliation is actually a goal, but rather a process, and I think that we just always have that process.

I'm not going to get into a debate about reconciliation specifically, but I think that our government has an understanding. First Nations communities understand our intent. I think we're judged on our intent, as well as our actions. And I think we've been clear with our intent, and this legislation before us today is an example of our actions.

With that, Madam Speaker, I thank you for the opportunity to speak.

M. Dean: I'd like to start by recognizing that we're gathered here today on the traditional territory of the Lək^{w}əŋiṅəŋ-speaking people, now known as the Esquimalt and Songhees nations. That's really important to me because my constituency of Esquimalt-Metchosin includes the lands and the now-established communities of Esquimalt and Songhees, and also Scia'new at the west end of my constituency. That's the Beecher Bay First Nation band as well.

[4:50 p.m.]

I serve and represent all of those communities, and I mention that because I'm very proud to stand here today representing everybody in my constituency, to be here today to talk about this bill. This bill is an action that is taking us on our journey of reconciliation, so I'm really proud to stand and speak in support of it.

We can't just talk about reconciliation. So many people from the Indigenous community say to me: "We have all these reports. We know what's wrong. We know the history. We know our history. What we need to see now and what we need to do together now is take action."

One of the earlier speakers today was actually our Minister of Advanced Education, Skills and Training. She's the first Indigenous woman to hold office in cabinet in the provincial government of British Columbia. I feel so honoured to actually be in a caucus with her and amongst colleagues who have brought us to this place where she can stand here in chambers today, debate this bill and make some really important points and highlights.

This is a choice. Our government is making this choice to share gaming revenues. The other side was in power for 16 years. They could have made that choice. They didn't make that choice, but we are. And we're really proud of it.

She called attention to how her family used to thrive, living here in these lands. Now, they have to survive. Well, we need to move past that and beyond that, where everybody is thriving, and this bill is going to take us further on that pathway. She called shame on the conditions that…. Some Indigenous communities still don't have potable drinking water. This is the 21st century.

There is so much poverty because of the systemic racism and colonization, and we need to dismantle that. We need to disrupt the status quo, as our Minister of Indigenous Relations and Reconciliation says. This bill is going to contribute towards that.

What this bill does is it entitles B.C. First Nations to a portion of the B.C. Lottery Corp.'s net income for 23 years. In total, that's going to be $3 billion. What that does is it creates a reliable, long-term revenue stream for First Nations. That is us stepping into what we mean by reconciliation: revenue-sharing.

By having that security of a stable and predictable source of income, Indigenous communities, First Nations, can fund economic, social and cultural activities, infrastructure — priorities that benefit the people who live in their communities. It can support their priorities, whatever they are. That could be social services, health services, education, infrastructure, cultural revitalization, capacity-building.

Already we have shared nearly $200 million. We've actually transferred the money to the newly formed B.C. First Nations Gaming Revenue Sharing Limited

Partnership. That's two years of shared gaming revenue. But what's important here in the bill is that it's creating that predictability and that long-term stability.

This isn't a paternalistic handout. This is something that Indigenous leaders have been asking for regularly, trying to get some movement in the provincial government for nearly 20 years.

I want to just highlight a few of the key principles in this bill. Firstly, each nation is going to use it for their own priorities. These are going to be decisions based on the identified needs and the priorities of each nation. This isn't a manipulation of what Indigenous communities should be doing or what they should look like. This is about saying: "You have the wisdom, you have the experience, you have the capacity, and you have the competency to use these funds in the best way that serves your community. You are the experts in your community. You know what's best for your community."

[4:55 p.m.]

It's self-directed into those critical areas. It's informed by knowledge of the community, caring for the community and bringing that Indigenous perspective of honouring ancestors, honouring tradition and looking ahead seven generations — looking ahead for the children of the community.

The formula itself is also very clear. It's a clear formula, and it's transparent, so it's being fairly applied across the province. There is 50 percent base funding, divided equally per community; 40 percent based on population; and 10 percent for geographically remote communities. That formula was built in partnership with First Nations leadership.

Again, that isn't the provincial government coming in and just laying down a rule and saying: "Run with it. See how that works for you." This has been a long process. We made the choice. Our government was sworn in, in July of 2017. In January 2018, we started this process, because we knew. We'd already been hearing from the First Nations leadership about wanting to find a way to share revenues and to be able to build capacity in communities.

This is long-term and reliable funding. What does that mean for Indigenous communities? It means that you can create a multi-year plan. It means you can be strategic. It means you can phase things. You can actually plan for the health and the benefit and the capacity of your community.

What else can you do? You can borrow against it. You can even increase capacity. You can leverage so that you're actually even meeting the needs of your community earlier, faster, better, deeper, broader. Whatever is decided to be the priority

in the use of this money is up to each community, because they know their community. They're the experts in their community.

Let's not have any scaremongering about the money. Let's not worry other people that there is some kind of distribution here that's going to put other people at a disadvantage. Indigenous communities have been impacted by discrimination and colonization for hundreds of years. That has created systemic disadvantage, oppression and poverty — deep and broad poverty.

This revenue-sharing doesn't affect municipal funds. This is about sharing resources with everybody in British Columbia. This is about helping everyone in British Columbia thrive. We know that it's the best thing for the whole of the province when we're actually sharing our prosperity and enabling self-determination. That is what benefits everybody in our province.

I can think of some examples right here at home of how self-determination really can create some wonderful examples and project results. I know colleagues in chambers here have been to the Wellness Centre at Songhees. That is a beautiful building. It provides a lot of space and services, builds capacity, creates jobs — really honours the territory, the tradition. It is a great economic driver as well, because it created lots of jobs, and it's still available to be rented out.

The Songhees Nation decided they wanted to do that, and they went about and did it and created a beautiful building. It's a jewel in the constituency of Esquimalt-Metchosin. That was their priority, their plan, their land, and they secured the funding and financing to be able to do that. It's a wonderful success story.

Further along the coast, out on the west coast, you get to Scia'new and Cheanuh Marina. This is Beecher Bay First Nation. A beautiful marina. The Scia'new Nation is actually building because it's a priority for them, for the protection of land and water. They are giving it priority and putting their efforts in to secure the funding and the partnerships.

They're going to become the regional spill response marina. They're going to be providing a service to everybody up and down that coast in the case of an emergency. They're going to have the marine emergency services there. They have the expertise there, and they're creating jobs there. The marina is getting enhanced. It's a place to go. It is a beautiful place to be.

[5:00 p.m.]

That infrastructure is all being built because of their prioritization, because of their ability to build those partnerships and to step into that self-determination and to move forward with plans and examples like that. These are the kinds of things that can be successfully moved forward, whatever is chosen by Indigenous communities.

I just want to say that I'm really proud of our track record in terms of reconciliation. In fact, I was very proud to stand in chambers on Monday during private members' time. I spoke in the Lək̓ʷəŋiṅəŋ language, and I had the privilege and the honour of doing a statement on reconciliation as well. I talked even then about how every single ministry in our government has a mandate to ensure that they fulfil their responsibilities and duties in accordance, also, with the United Nations declaration on the rights of Indigenous peoples and with the calls to action from the Truth and Reconciliation Commission.

We know the work, for example, in the Ministry of Children and Family Development has been concentrating on the recommendations in the calls from the report by Grand Chief Ed John. We've actually made historic investments in decisions on investing in housing off reserve and on reserve — affordable housing for Indigenous peoples in the community and in their communities. I have a fantastic project going up in Colwood, in my constituency, at the moment.

We've invested in revitalizing language. The killing of language was part of the effort of trying to kill the culture, so we're investing in revitalizing that. I'm learning the Lək̓ʷəŋiṅəŋ language to send a signal that I understand the language is important. I want to show respect and honour to that language.

In our Ministry of Mental Health and Addictions, we've developed an Indigenous pillar in the Pathway to Hope, and in our Ministry of Advanced Education, Skills and Training, that minister has created the first-ever Indigenous law degree.

I'm really proud, and personally, I've tried to step up and illustrate how individual actions can make that contribution to reconciliation. In fact, just yesterday we had Elder Shirley Alphonse, originally from Cowichan and now from T'Sou-ke Nation, here to offer smudging to every MLA and staff member here in these buildings and to do some smudging of the Speaker's and the Clerk's offices as well. It was really heartening to me to see a real diversity of people come, line up, show their respect and acknowledge Elder Shirley's generosity in bringing that here to the Legislature.

I take part in the Moose Hide Campaign. I take part in the Stolen Sisters walk. I think it's really important for all of us to step into this space, individually, in our leadership roles and in our roles as members of this Legislature.

I go back to sharing gaming revenue. It has been a priority for Indigenous communities for 20 years. We chose to step into that space and to find a way, with Indigenous leaders, to create a system whereby we can share gaming revenue and we can support and facilitate that self-determination and that building of capacity. So I'm very proud today to stand here and speak in support of this bill, and I would hope that every member in this Legislature would be doing the same.

R. Kahlon: It's my privilege and honour to rise to speak to the Gaming Control Amendment Act. I think it won't be a surprise to you that I am speaking in favour of this act. I'm really proud of this, but before I go into the particular details of why I'm proud of this, I think it's important to talk about why this is needed.

[5:05 p.m.]

I spent this summer travelling the province into communities, listening to people explain to me their heartfelt stories about racism issues that have come up in communities. It was a very powerful and moving experience. We had the opportunity to sit down with Elders in various communities and hear from them directly about racism and colonialism — how the history of this place affects them in their daily lives.

I'm reminded of a couple of things that particularly struck me. There were all these front-line service providers in the Downtown Eastside who gathered, and we had this discussion about institutional racism. We talked about structural racism. One of the front-line workers who works with vulnerable women in the Downtown Eastside said that the issue isn't that the system is failing people. He said that the issue is that the system is working exactly the way it was designed.

That really struck me. I really had to take a moment, step back and think and process the history of this province and how systems were created to keep First Nations, essentially, behind: take away their language, get rid of their heritage, take them away from their families and their culture. All those systems that were built — the laws and systems we are building are being built on top of them.

So there are some core flaws in the way we operate. These people were telling me how they do their best to ensure that First Nations don't actually get engaged in the system. They want to avoid the system, because the system is failing them.

When you hear stories like that, or you hear stories of Elders in Osoyoos who, after the racism forum, asked me to walk out with them so they could show me where the barbed fence used to be. As a child…. This woman was telling me that she still remembers looking over at the barbed fence and seeing her mom leave, cross the fenced area to go into town, and then not come home for two days because they couldn't find the Indian agent to get permission to return back to their home. For two days, she'd have to stay with aunts and uncles, wondering where her mom was.

When you think of all those things, it makes you feel overwhelmed both at the challenge we have and the responsibility we have to start to address these core issues. You know, a lot of the conversations we had around racism were about the things people say in their community, things that people hear. What really frustrated me, particularly talking to the First Nations folks, was that when these terms are used, after a while, they said, they just get used to it. That is scary. When people hear something so often that they get used to it, I think there are some real challenges there.

They hear things like: “Oh, well, First Nations, all they do is just take, take, take. We just continue to throw money at them, and what are they doing with the money?” We hear: “Oh, well, this will create dependency.” I’ve heard all those things in the debate here in this House. It’s really troubling to hear people stand up and use that term — talk about just throwing funds at First Nations, just doing this to support your friends. I heard someone say it’ll create dependency in these communities. Create dependencies? These communities are….

You know, I have a lot of respect for my colleague across the way, the member for Stikine. We’ve had lots of conversations around First Nations history. I respect his lived experience. He speaks from his personal experience. I might not agree with him. In fact, I don’t agree with him on a lot of things, and some of his own colleagues don’t agree with him all the time either, but I respect his….

Interjection.

R. Kahlon: My colleague across the way is correcting me. The member for Skeena. Yeah, yeah. I’m not going to refer to it as Bill C-36.

What I was saying was that I don’t agree with a lot of his positions, but I respect that he’s speaking from his experience. He and I have had many conversations. I’ve actually pulled him aside and said: “I don’t agree with you, but let’s talk about it. I want to hear about why it is you think that this is the way it is.”

[5:10 p.m.]

I think for anyone to suggest that First Nations communities don’t need this money, that First Nations communities, in particular his community, don’t need the money for housing, don’t need this money, is…. I think the Chief there would strongly disagree, because they were standing beside our minister when we announced money for housing, and they said how important that money was. When we have quote after quote from First Nations leadership….

I know that he was critical when our minister was speaking about this issue. The minister was referring to a quote that was given around this being “the single most important” action the provincial government could take to “ease First Nations poverty and begin to close the economic and social gap for…First Nations.” He was very critical. He said: “How dare you say that?”

This is not the minister’s quote. This is what the communities are saying. This is what First Nations leadership is saying to us. This is “the single most important” action the provincial government could take to “ease First Nations poverty and begin to close the economic and social gap for all First Nations.” These are their words.

There are a lot of things that people have been saying. “We’ve been waiting a long time for this,” said Judith Sayers, the president of Nuu-chah-nulth Tribal Council. “I personally have been involved in trying to get this…for over 13 years, and it’s been at least 30 years that the First Nations have been doing this. So it’s a good day.”

We had Regional Chief Terry Teegee from B.C. Assembly of First Nations, who said: “This is a historic and progressive action.” B.C. First Nations and the government have finally landed on a renewed vision and plan for reconciling Aboriginal title and rights, with asserted Crown title and jurisdiction. If we have prosperous First Nations, that will mean extra revenue.

Another piece that my colleague across the way had said was that, well, his community doesn’t need the money. That money is not just going to be wasted. That money is going to be invested in communities.

When we hear from my colleague, the member who represents the area where shíshálh Nation is, and he shares with me the remarkable action taken by the shíshálh Nation — where he tells me that Chief Warren Paull has a vision of using funds to rebuild the soccer fields in his community — that’s not just for the shíshálh Nation. That’s for everybody in the community. This is money that’s being invested in the community for everyone. This money is going to be invested in….

I was recently in Mackenzie and met with members of the McLeod Lake Indian Band. They said: “You know what? We’re making investments, and we are looking for people. Please find us people.” First Nations communities are not just going to take this money and do things that are not going to benefit everyone. These investments that they’re going to make are going to benefit everyone in their community, everyone in the region.

When I was on this trip travelling with folks, this was the core issue. We talked about how racism for new immigrants exists, but everybody acknowledged that we have to understand the history of this place. New immigrants understand, and we have to understand that we’ve come to a place.

People who come from India have a particular knowledge and a particular sense of what colonization is. We have a good understanding. When that context is played for them, about what’s happened to their homeland, what happened when the British came…. When you give it to them in that context, “Imagine if your language was taken away from you. Imagine if you could not be who you are. Imagine if you, in the context of where you’re from, were living in poverty because someone took away your language, took away your culture, took away all the things that you value most. What would be of your community?” then people understand.

We had lots of new immigrants that came to these meetings. You know what they said? They said: “Yeah, we’re facing racism. We’re facing these issues. But we

really think that you need to address the issues that First Nations have been dealing with for a long time."

This Gaming Control Amendment Act is a step in that direction. I'm very proud of our government for taking this step to address this. It's about building capacity in communities. It's not about saying: "Here's some money, because we think your project, in our opinion, is valid." This is about saying: "Here's money. Do the projects that you think your community needs most."

[5:15 p.m.]

There are some focuses — health and wellness. I don't think we can spend enough money on health and wellness. We had lots of discussions when I was in Prince Rupert, where there's an amazing initiative being taken by local First Nations around mental health supports. I was in the Interior recently, and one of the most prominent wellness centres is run by First Nations there. People come from all over to get well. That treatment centre, again, is not just for the local First Nations. People are coming from all over the world and all over Canada, in particular, to get well.

When we talk about infrastructure, safety, transportation, housing — all these investments are about the region. You know, sometimes we hear this debate, and it gets made into we're giving "them" money. Or what was the term used? We're "throwing funds at First Nations." When we hear the term that we're throwing funds at First Nations…. This is giving First Nations the tools to have the capacity to do things.

Some communities will need money for other initiatives. Some communities will use it to make investments in infrastructure, which will create jobs not just for local First Nations but people in the region overall. The roads that get built — it's not just First Nations that are using these roads. Everyone is using these roads.

When we hear that this money could be used for economic and business development…. The member earlier spoke about the Haisla Nation. Yes, doing fantastic things, creating huge employment — employment for their own members, employment for everyone in the region — again, economic development. We heard just recently, also from the member, that they sent someone to learn how to be a yoga instructor. Investment is not only in their community but made for everyone in the community.

Also, there are initiatives for environmental protection. We also hear from speakers who say: "Well, there are some First Nations that are great. They're doing economic development. We support them." But just because they're doing economic development in their context and not in our context, it doesn't make them any better or any worse.

Any sort of economic development, any sort of investment in the environment — all these things are good for the community. It's all good for everyone in the region. I

don't think we should be picking whether a First Nation is good because they support the project we support. I think any investments made in any region are a good thing.

We also heard some concerns about whether the system that's being used that was adopted and brought to us by First Nations — about how the money would be distributed through this fund, through the limited partnership. This is not a brand-new model that's not been done anywhere. This is coming from the First Nations. We didn't just create this and say: "This is how we're going to do it for you." They've said: "This is how we'd like it to happen."

Some members have made it sound like this is groundbreaking stuff, that this is the first time it's ever happened. We're the last province to join on board to provide gaming revenue for First Nations for capacity-building. Many of them use a similar model. Why is it, all of a sudden, that this is a stumbling block?

I've got a lot of respect for members on all sides of the House here. I think it would be very disappointing to have members not vote in favour of this because they don't like the way that the First Nations presented the limited partnership model to us, the way that they've said that it should happen. I know, deep down in the core — I'm not going to say everyone — most people here, I think, understand that this is going to a good thing. Most people here.

I look at the members across the way who, I know, worked with lots of First Nations in their communities, well respected in their communities. It would be a shame if we were to have a vote today and members from across the way would not support money going to First Nations communities for capacity-building when they've said, the communities themselves have said — I have to read this again — this is "the single most important" action the provincial government could take to "ease First Nations poverty and begin to close the economic and social gap for all First Nations."

[5:20 p.m.]

I mean, if this is what they are saying, how can anyone in this place not vote in favour of it? I just don't know, but I guess we'll find out very soon.

I can continue to talk. I know the members would love to listen to me talk. One of the members from across the way, my friend from Surrey, was falling asleep while I was talking.

Interjection.

R. Kahlon: No, I'm just kidding. He was not. He is not. He's the most attentive gentleman in this place, and I appreciate him giving me guidance and always providing me feedback as I share my thoughts.

Interjection.

R. Kahlon: I don't know. We save criticism for the ferry ride home, I think.

Again, I just want to go back, before I start my closing remarks on this, to those people that I've met along the way in all the communities — Comox, Nanaimo, Cowichan, Victoria, Vancouver, Abbotsford, Prince Rupert, Prince George, Mackenzie, Dawson Creek, Fort St. James, Fort St. John, Osoyoos, Oliver, Kelowna, Cranbrook.

All those communities that I visited, all those people who brought their stories forward, all those people who said that we need to address the legacy of First Nations — to all those people, if they're listening…. Maybe many of them are not, but I think this is an important step for them to see that we take this seriously, that we're taking steps not only that we think are right; steps that First Nations leaders and communities are telling us are the most important steps.

Shortly, we'll be voting on this, and it's my hope that everyone in this House will support this. I want to thank the Attorney General for bringing this forward, and I look forward to hearing the next speaker.

Hon. L. Beare: I'm so excited to get up today and speak to Bill 36 and our government's commitment to First Nations. We are so proud to introduce the Gaming Control Amendment Act, which will entitle B.C. First Nations to a portion of our B.C. Lottery Corp.'s net income for the next 23 years.

This is huge for First Nations. As we travel around the province as ministers, we get a chance to visit First Nations in communities in every corner. When I think about the needs I've seen in communities and the conversations we've had with them, this bill is going to impact communities everywhere. First Nations have made it very clear this is something they've been asking for, for a very long time.

In 2007, the First Nations leaders presented the previous government with an investment plan. That plan recommended 3 percent of B.C.'s gross gaming revenues going directly towards economic and community development initiatives in Indigenous communities. Our bill, which we're putting forward today, will ensure that we're transferring 7 percent of gaming revenue to First Nations. In fact, we've already transferred nearly $200 million to First Nations across the province. This is amazing.

These investments may be used by individual First Nations for things like health and wellness, infrastructure, safety, transportation, housing, economic and business development, education, language, culture and training, community development, environmental protection, capacity-building, fiscal management and governance. This is important.

When I think about my local First Nation, the Katzie First Nation…. They have a Katzie wellness centre. When you hear Chief George, the newly Chief George…. She was previously Chief Cunningham, but was married a week and a half ago, and I would like to take this opportunity to congratulate the newly Chief George on her nuptials. When you hear her talk about the Katzie First Nation wellness centre, she talks about it being a place to heal the spirit as well as the body and how important that is for her community to ensure that that spiritual healing help is available as well.

[5:25 p.m.]

These are the types of investments that communities will be able to use with the gaming revenues all across the province.

I recently had the chance to tour the Nisga'a Memorial Lava Bed Provincial Park, up in the Nisga'a Nation. Before I was Minister of Tourism, I actually didn't know we had lava beds here in British Columbia. It's such a spectacular sight and such a treasure, and an unknown treasure to many British Columbians. So when I had the opportunity to go visit the Nisga'a Nation and to go take a look at this spectacular park, I stopped in at their visitor centre and talked to them about how their park is an economic generator for their region and how they want to expand the number of visitors coming into their park.

Economic investment and business development are what these funds will allow nations to do — to be able to do things like expand these visitor centres in these amazingly pristine areas of our province for visitors not only in their own backyard but from all across the world to come visit.

I think about how in the Nisga'a Nation, as well, you round a corner, and all of a sudden you fall upon a world-class cultural centre museum, glass from floor to ceiling, with Nisga'a treasures inside and the history of their nation. These are the types of cultural spaces that these funds will be able to support. These are the storytelling opportunities and the protection of the cultures of nations that these funds will support.

I travelled to the Ktunaxa Nation and had a chance to visit St. Eugene Resort. St. Eugene's, I'm sure many members know, is an amazing story. It's a story of resilience and of reconciliation. St. Eugene's was a former residential school, and the Ktunaxa Nation, in collaboration with the federal government and other partners, was able to purchase back the school and turn it into a hotel for their nation, creating economic revenue for their community, but more importantly, taking ownership of their story and how they want to move forward as a nation.

They have a tourism product at the resort called Speaking Earth, where guests are able to go sleep outside in a tent under the stars. They can share a bowl of bison stew around a campfire and listen to stories being told by Elders. This is a tourism product. This is what economic development will do for these nations — the ability to invest in these products.

This is true, authentic reconciliation. This is that true, authentic experience that people travel from all around the world to come experience here in B.C., and we are giving First Nations the ability to create these remarkable experiences that B.C. is known for. We are giving First Nations the ability to tell their stories in a manner that they want to tell, in a way that they want to share with the world and with us here in British Columbia. It's a chance to take back their stories, to take back their history, to take back their choice on how they want to move forward.

We are giving that opportunity. We have placed $200 million into nations to make that choice on what they want. Do they want to build a health and wellness centre? Do they want to invest in infrastructure? Do they want to create a product like Speaking Earth that tells their story and their history?

We have 203 First Nations here in British Columbia, and we have only 400 tourism products. That is something I am working so hard on as the Minister of Tourism, Arts and Culture — to help partner with nations, to work with Indigenous Tourism B.C. and nations all across our province on ways that they can increase the number of tourism products in their community and how they can move forward.

When I go to the First Nations Leaders Gathering, typically the two conversations I get are: "I want to build a longhouse and a cultural centre" and "I want to find a way to build a tourism product to increase economic development in my region. I want to be able to tell my story. How can we do that?"

[R. Chouhan in the chair.]

These funds will allow nations to do this in a manner that they would like to do. So I couldn't be more proud to be part of a government that understands the rights of First Nations to determine these things on their own, to provide them the funds and to make choices in their own communities.

[5:30 p.m.]

With that, I encourage members across the way to support this bill. It's so important for individual communities, from coast to coast, all across this province, from corner to corner, to have that ability to invest in their communities the way they want to, to tell the stories they want to and to build their economic development the way they want to.

With that, I'll take my seat.

Hon. H. Bains: It is an honour to stand here to speak about this bill, Bill 36. This act will entitle B.C. First Nations to a portion of the B.C. Lottery Corp.'s net income for 23 years. This is very basic, fundamental, to who we are as a society.

This House has seen and heard debates. You could purely say that they were racist and discriminatory. I remember when the Nisga'a treaty was being debated here — the debate that took place at that time, in the 1990s, and the commentary coming from the members of this Legislature. I will go back to 100 years ago with what happened here in this House, and as recent as the 1990s, and then what has happened since that time — the first pure denial that First Nations have rights.

[Mr. Speaker in the chair.]

Then when the government of the day, Glen Clark's government, decided that we needed to work with First Nations and empower them to make their own decisions that impact them — about education, about their culture, about their children, about their future — the Leader of the Official Opposition, who became Premier later, said that there should be a referendum. Glen Clark very famously said: "You can't have a referendum on minority rights."

Those are the basic fundamentals that guide us when we make decisions here. Those words that were used here at that time and the action they took will be seen and heard for the next 50, 60 and 100 years, as we are going to reflect back to 100 years ago and what was said about other visible minorities here.

This thing, Bill 36, is about equality. It is about recognizing rights. It is about giving equal rights for those who were here before us — for them to make their own decisions.

That's why I think that I could speak for a long time on this, because there's so much to talk about. Many members were very eloquent here and made very good points. I will not go too far into it because the clock is also ticking.

With that, I want to say that I urge all members of this House that if we really mean reconciliation with our First Nations, we must show it with our actions. This bill talks about our actions. We must show that we actually are serious about what reconciliation means, and this vote in this House will show that.

I am urging everyone in this House to support this bill so that we can move on and make sure that we show — through our actions, with decisions like here tonight — our First Nations people that we actually mean what we say.

Mr. Speaker: Seeing no further speakers, Attorney General.

[5:35 p.m.]

Hon. D. Eby: I'm rising to close debate.

I will, just in brief comments, note my appreciation to many colleagues for standing up and supporting this bill and recognize the Minister of Indigenous Relations and Reconciliation, whose team did an amazing amount of work on this bill. I also want to thank the members of the opposition who rose to speak on the bill.

I think we've some work to do across B.C. in terms of helping people understand why this is happening, why it is that it's important to share gaming revenues with First Nations, what it will mean for so many communities across the province. We already share gaming revenues with many municipalities. I don't think, during that debate, we heard statements like it was paying off friends or that maybe there wasn't enough accountability within municipalities.

I would urge all members to look at what's happened on reserves in terms of school funding even, where kids going to schools on reserve receive less funding per capita than the kids off reserve. There aren't huge benefits flowing to reserves — in fact, many times, the opposite. So this will go a really long way in a lot of Indigenous communities across the province, and I hope all members find their way to support it, because it will be incredibly influential and impactful not just on Indigenous communities but on neighbouring communities as well.

With that, I move second reading of the bill.

[5:40 p.m.]

Second reading of Bill 36 approved unanimously on a division. [See *Votes and Proceedings*.]

Hon. D. Eby: Hon. Speaker, I move that the bill be referred to a Committee of the Whole House to be considered at the next sitting after today.

Bill 36, Gaming Control Amendment Act, 2019, read a second time and referred to a Committee of the Whole House for consideration at the next sitting of the House after today.

c) *Committee of the Whole House*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 41st Parl, 4th Sess, Issue No 279, (23 October 2019) at 10189 (J Yap), online: < https://www.leg.bc.ca/documents-data/debate-transcripts/41st-parliament/4th-session/20191023pm-Hansard-n279#bill36-C>

The House in Committee of the Whole (Section B) on Bill 36; J. Isaacs in the chair.

The committee met at 3 p.m.

On section 1.

J. Yap: To the minister and staff, I look forward to the opportunity in committee stage to engage and try and get some questions answered. I know that my colleague the MLA for Vancouver-Langara will also have questions, as well as a number of other colleagues.

With regard to the first section, section 1, This section increases the number of directors at British Columbia Lottery Corp. from nine to 11. Can the Attorney General provide an explanation of why this change is being contemplated in Bill 36?

Hon. D. Eby: I'm joined, on my left, by Rhea Wilson, the counsel with Indigenous legal relations. On my right is Doug Scott, ADM, Crowns. Behind me is Ranbir Parmar, corporate services, Ministry of Indigenous Relations, and to my left, behind me, is Giovanni Puggioni. He was the chief negotiator on this. Thank you very much for staff being here to support me in doing my best to assist the opposition and the Third Party with understanding the act and the provisions.

Section 1 does increase the Lottery Corp. board by two. The reason it's two is to preserve an odd number of directors so that the board doesn't get deadlocked into a tie. The reason to increase the board at all is because part of the negotiations was an agreement by government that if the B.C. First Nations Gaming Revenue Sharing Limited Partnership nominated a director, that director would be recommended to cabinet.

It would still be at cabinet's discretion whether or not to approve that individual, but the expectation would be, generally, that that person would then be appointed to the board so that there would be a representative of the partnership and of First Nations on the board of the B.C. Lottery Corp., given the investment, essentially, that they have, now and in the future, in the operations of B.C. Lottery Corp. because of the revenue-sharing.

J. Yap: I appreciate the minister's response. Section 2.20 of the interim agreement lays out that the partnership will have the right to nominate a nominee, on behalf of the partnership, to the B.C. Lottery Corp. board. Can the Attorney General provide more details to the House on how this will work?

Hon. D. Eby: The government is making available to the partnership the resources and supports of the board resourcing office in the provincial government so that if they need support in identifying candidates or ensuring that candidates have the

appropriate skills that the partnership is looking for, then that is available to them. That person will be nominated by the partnership, will be recommended to cabinet, and then the appointee on the board will be bringing their skills to fulfil the fiduciary obligations that the board has to the B.C. Lottery Corp. and, by extension, to the people of British Columbia.

[3:05 p.m.]

J. Yap: Does the minister anticipate that the partnership will put forward a list of names that, through their process, they would like to nominate and that then it would be up to the board resourcing — and, ultimately, to cabinet — to pick from that list? Is that how the process will work?

Hon. D. Eby: Everyone's understanding is that generally, there would be a single individual put forward, but there's nothing stopping the partnership if they wish to put forward a list of names of nominees. They can do that, but the understanding and expectation is that there'd be one individual.

J. Yap: I just ask from the perspective of whether the minister or the government would be duty-bound to accept and appoint the name that is put forward if it were just one name. Is that the expectation — that the government would accept the nomination if it's just one name, in the potential scenario where the government may feel that the name put forward may not be suitable?

Hon. D. Eby: You can't bind cabinet in that way. It's cabinet's discretion whether or not to appoint any particular board member. However, I think the understanding that everybody has is that there's going to be a very careful and thoughtful process on the partnership's part in identifying a candidate to recommend to government, and that would have considerable weight in the discussions of cabinet about whether or not to appoint that individual.

J. Yap: What would happen in the instance — potentially, if it occurred — where the minister responsible did not see fit to recommend the partnership's nominee?

Hon. D. Eby: It's difficult to have a significant discussion about hypotheticals, but I think if there were some sort of issue that came up, I would expect that the relationship between government and the partnership is such that there would be an active discussion back and forth about any concerns that were identified and that any concerns the government had identified would likely be shared by the partnership.

In a scenario where, for some reason, government was concerned and the partnership wasn't, the ultimate decision is cabinet's. Cabinet would make that decision, and if they decided not to approve a given candidate, for which discretion is preserved, then there would be a return back to the partnership for another nominee from the partnership for consideration.

J. Yap: From the minister's response, which I appreciate, he's affirming that it would be ultimately the discretion of the government, the executive council, to approve or not approve a nominee.

Hon. D. Eby: The candidate is recommended, nominated by the partnership and then recommended by the minister to cabinet, but cabinet maintains an ultimate discretion about whether or not to appoint that individual to the board.

J. Yap: Can the minister tell the House if any other Crown corporations have this type of arrangement where the Indigenous community can nominate a director?

Hon. D. Eby: There was a bit of a brainstorming here to see if we could think of something that would be analogous, and we've identified the First Peoples Cultural Council, which puts forward candidates that they recommend to government and that are then considered by cabinet.

[3:10 p.m.]

I think the record is appointed, but again, the discretion remains in cabinet on whether or not to appoint those nominees that come up from the council for the council's board.

J. Yap: Just to follow through on that. What this section endeavours to do — to add the opportunity for government to appoint an Indigenous director, nominated by the Indigenous community…. This would not be precedent-setting. Can the minister confirm that?

Hon. D. Eby: This is the only Crown we can think of that has a structure like this where a nominee is recommended by an Indigenous organization for appointment. So in that sense, it's new. In the sense that cabinet retains ultimate discretion whether or not to appoint the board member, it's not new. That is the existing structure for appointment of board members for Crown corporations.

J. Yap: I appreciate the minister's response confirming that in terms of a Crown corporation of British Columbia, this is new. That being the case, can the minister advise this House what consultation was done to arrive at this decision to create this new structure?

Hon. D. Eby: The First Nations Leadership group, which is the Union of B.C. Indian Chiefs, the B.C. Assembly of First Nations and the summit, together have an organization under their umbrella called the First Nations Gaming Commission. The First Nations Gaming Commission had a subcommittee chaired by Grand Chief Joe Hall that was the lead negotiating group with the province for the agreement and for the structure of the agreement of how to move forward on this issue.

Once an agreement and broad terms were arrived at, the council, the lawyers within the Ministry of Attorney General, were consulted to ensure that the process was structured so it would be consistent with law. The chair of the board of the B.C. Lottery Corp. was consulted.

[3:15 p.m.]

The cabinet board resourcing office was engaged, as well, to ensure that we were structuring things properly. So there were a number of different technical sources of advice, as well as practical sources of advice.

I think it's safe to say that this process was a co-development process with First Nations groups in the province through their leadership organization, the leadership group, and the subcommittee. I wanted to thank Grand Chief Joe Hall and his team for their work with our team in arriving at these terms and coming to this historic agreement.

J. Yap: I thank the minister for that.

It sounds like the negotiations were undertaken with representatives of the leadership council. I'm wondering if the minister can advise if other stakeholders, other First Nations, were consulted on what was being contemplated.

Hon. D. Eby: Engagement with First Nations communities was led by the leadership council. In particular, we understand that the three entities that make up the leadership council — the Union of B.C. Indian Chiefs, BCAFN and the First Nations Summit — went out to their membership through their structures and through their regional representation groups to engage with First Nations communities across the province, taking feedback back up through their channels to the group to inform the discussion.

My understanding is that on the First Nations side, there was quite a comprehensive engagement. Ultimately, the agreement was ratified by all three organizations of the leadership council — and, ultimately, we hope, by government, in passing this bill here today.

J. Yap: I appreciate that answer. I'm wondering…. In the spirit of nation-to-nation consultations, it sounds like the discussions were handled through the leadership council. It sounds like the minister is confirming that there were no direct consultations between the province and individual First Nations to get feedback on what was being proposed. Is that correct?

Hon. D. Eby: This was a unique process in that it was a collaborative process with the First Nations Leadership Council. We worked with them, and they designed a process to engage with First Nations groups across the province through their

structures and how they wanted the engagement and the consultation with First Nations groups across the province to go ahead.

Government supports that because we support self-determination, and we support Indigenous people making decisions about issues that affect Indigenous people. That co-development process was very important to the entirety of this negotiation discussion and the agreement.

It's true that government did not co-design that process with…. Well, this was a process that was developed by the leadership council itself. We didn't, then, take any steps to undermine that or to run a separate engagement with First Nations groups in the province.

We had confidence in the ability of this Indigenous leadership group to make decisions affecting Indigenous people and engagement in the province.

J. Yap: I appreciate the minister's response and his affirmation that there was certainly a reliance on the First Nations Leadership Council to undertake their process. He mentioned a desire not to undermine their process. I certainly appreciate that.

[3:20 p.m.]

Of course, we expect the government, the province, to approach these matters with great respect for First Nations and their processes. I wonder if the First Nations Summit, after the process was completed, shared the results of their consultation or their process with the minister as part of their discussions to arrive at this new governance structure.

Hon. D. Eby: I can advise the member that there were a number of issues raised during second reading. One of those issues raised during second reading was consultation with First Nations across the province. We received a response from the First Nations Gaming Commission to talk about what they did to engage with First Nations across the province.

They wrote to us:

> "The consultation, which is extensive, has been coordinated through the Leadership Council and its delegate, the First Nations Gaming Commission. Discussions with government, which extended over many months, were led by the First Nations Gaming Commission.
>
> "First Nations in British Columbia are entitled to participate as members of the Leadership Council's three constituent political territorial organizations: the B.C. Assembly of First Nations, the First Nations Summit and the Union of B.C. Indian Chiefs. All critical aspects of the gaming-revenue-sharing regime, including the

distribution formula and ratification of the agreements themselves, have passed votes on the floors of the Chiefs and Assembly at the political territorial organizations. In addition to this, the agreements have been ratified by the limited partners at the time they joined the limited partnership."

The limited partners, in this case, are the 203 First Nations of the province.

"Consultation has been a coordinated effort and has included fully informing individual First Nations as to the key aspects of the revenue-sharing arrangements, seeking feedback and making a genuine effort to respond to their concerns."

J. Yap: I appreciate the minister's follow-up. It sounds like there was a fairly extensive consultation process that the First Nations Summit or Leadership Council went through, engaging with their constituencies.

I wonder if that process and its conclusion — perhaps the report — in the interests of transparency, was made public. If not public, was it made available to individual First Nations?

Hon. D. Eby: We don't believe that there's any written report summarizing the consultations that we're aware of.

J. Yap: Is this structure in place in any other Canadian jurisdiction? I wonder if the minister can advise — in his due diligence, the staff review of this matter — whether this structure is in place in other provinces.

[3:25 p.m.]

Hon. D. Eby: In British Columbia, we have an example of a limited partnership structure that has been used before. It was actually set up under the previous government, the Pacific Trail pipelines partnership. It distributes revenue that comes from that project to 16 different First Nations that are limited partners.

In Ontario, there is a limited partnership structure like this for distributing gaming. We understand there has been litigation in Ontario in relation to the partnership, that it related to the commitment of the Ontario government to consider and appoint board members nominated by the limited partnership and that Ontario, allegedly, did not do that.

Our hope and expectation is that we will learn from the Ontario example and take seriously the nominations that are put forward by the partnership. But otherwise, it seems to have worked very well in Ontario as a mechanism for distributing gaming revenue, which is likely why the First Nations Gaming Commission was supportive of and advocated for establishing a partnership like this.

J. Yap: Does the government expect, with this being the first one, to add Indigenous-nominated directors to other Crown corps?

Hon. D. Eby: We don't currently have any plans for that. I will note that the government has made a significant effort to have more Indigenous representation on boards in the province, and if the member is interested, I'll get him some numbers.

We're quite proud of the Indigenous representation, especially…. The Minister for Advanced Education has done an exceptional job in ensuring Indigenous representation on, if not every, almost every post-secondary board in the province, which is quite an accomplishment and long overdue.

It's government's intent to continue to increase Indigenous representation on boards and in various appointments and employment and so on. So although we don't have any plans to have a nomination process like this currently for any of the Crowns, it remain a focus of government.

J. Yap: Why did the minister decide to add two directors rather than simply ensure that one of the current nine directors would be replaced by an Indigenous nominated director so that there would be one in place? Was it actually necessary to increase the size of the board?

Hon. D. Eby: We engaged with the chair of the B.C. Lottery Corp. to ask how the board was working. The chair identified for us that it would be preferable to add two positions to increase the skill sets on the board rather than remove one of the current board members. He felt that the board was working particularly well and that the perspectives brought by the two additional board members, including the nominee, would be very helpful to B.C. Lottery Corp's operations and the board's operations as it stood.

J. Yap: That being the case, with the board increasing, will the total remuneration going to the board, for directors, increase, as it increases the numbers from nine to 11?

Hon. D. Eby: These board members will be remunerated in the same manner as any other board member on the B.C. Lottery Corp. board — for expenses for travel, for various board-related events and a stipend for attendance at board meetings, these kinds of things.

[3:30 p.m.]

J. Yap: I understand the rationale, and the minister has provided the background on the proposal to enhance Indigenous representation on the Lottery Corp. board of directors.

Indigenous peoples in British Columbia are not monolithic. They are diverse. I wonder how this reality of a very diverse community of First Nations will be addressed in the selection of this director.

[R. Chouhan in the chair.]

Hon. D. Eby: The manner in which we hope to have a good representative of the partnership is through the structure that we've discussed, which is that the partnership will nominate someone that they feel is appropriate to represent the partnership's perspectives on the B.C. Lottery Corp. board.

I wanted to note that simply because there is one nominee that comes from the partnership who is likely to be an Indigenous person — but not necessarily — that doesn't mean that that would be, necessarily, the only Indigenous person on the B.C. Lottery Corp. board. We already do have one person of Indigenous heritage on the board. So it's not like this is the only Indigenous representative that would necessarily be on the board. There may be other representatives. But the hope is that the partnership is able to identify representatives that best represent the perspectives of the partnership and its limited partners on the Lottery Corp. board.

L. Throness: I just have a few very general questions — I'm curious about the bill — that I would like to ask. The minister brought with him today an official who he announced as the chief negotiator on the bill and on items concerning the bill. We use words like "comprehensive engagement" and things like that. I'm wondering: in a more specific sense, how many meetings has the negotiator held with First Nations partners, over what kind of period? In particular, did the negotiator meet with individual First Nations, and if so, which ones?

Hon. D. Eby: I'm advised that there were literally dozens of meetings over about 15 or 16 months to arrive at the agreement. With respect to consultation with First Nations, this issue was raised during second reading, and we got in touch with the First Nations Gaming Commission, which wrote to us the following in relation to consultation with First Nations. The First Nations Gaming Commission led the engagement, which we thought was appropriate.

"The consultation, which is extensive, has been coordinated through the leadership council and its delegate, the First Nations Gaming Commission. Discussions with government, which extended over many months, were led by the First Nations Gaming Commission. First Nations in British Columbia are entitled to participate as members of the leadership council's three constituent political territorial organizations: the B.C. Assembly of First Nations, the First Nations Summit and the Union of B.C. Indian Chiefs.

"All critical aspects of the gaming revenue-sharing regime, including the distribution formula and ratification of the agreements themselves, have passed votes

on the floors of the Chiefs and assembly at the political territorial organizations. In addition to this, the agreements have been ratified by the limited partners, which are the First Nations of British Columbia — there are 203 of them — at the time they joined the limited partnership.

"Consultation has been a coordinated effort and has included fully informing individual First Nations as to the key aspects of the revenue-sharing arrangements, seeking feedback and making a genuine effort to respond to their concerns."

L. Throness: I'm wondering: specifically, did the negotiator negotiate all aspects of the bill with the representatives of the First Nations? And in particular, did he negotiate the partnership agreement with individual First Nations?

[3:35 p.m.]

Hon. D. Eby: As I understand it, the agreement was negotiated with — I'll take the member to the top of the structure — the leadership council, which is the B.C. Assembly of First Nations, the summit and the Union of B.C. Indian Chiefs. They have representation on the leadership council.

Then they have an organization called the First Nations Gaming Commission, which is under the umbrella of the leadership council. That First Nations Gaming Commission had a subcommittee chaired by Grand Chief Joe Hall. The negotiation proper was with this subcommittee of the First Nations Gaming Commission. That was the group that government was negotiating with and developing this in partnership with.

L. Throness: Just one more question for the minister. I would just point out that negotiations were with representatives of First Nations, but the funding disbursement formula of 50 percent, 40 percent and 10 percent to remote First Nations was not negotiated with remote First Nations per se.

What was the feedback? How was this formula — the disbursement formula where only 10 percent goes to remote First Nations, which are perhaps the most needy First Nations…? How was that 10 percent arrived at?

Hon. D. Eby: Just to ensure that the member has the same understanding that I do in terms of the distribution here, First Nations…. The money itself is divided into three pots. There's a 50 percent pot, so there's half the money. Then there's a 40 percent pot. And then there's a 10 percent pot. A rural or remote community can draw from all three of these allocations of money.

The 50 percent is divided equally among all First Nations. The 40 percent allocation is divided on the basis of population, so they would get a share of that population distribution as well. Then an additional 10 percent of the total only goes to rural and remote First Nations communities, and it is allocated accordingly.

So it's not like only 10 percent of the money goes to rural and remote communities. There is a special supplementary fund only available to rural and remote communities, and that is in addition to the shared distribution and the population distribution.

With that understanding, I think it's important to recognize that the engagement with First Nations, including rural and remote First Nations, took place through the leadership council and through the three entities, leadership groups, that partnered together in the leadership council. These three groups had meetings at which the revenue-sharing regime, including the distribution formula, had to pass a vote on the floors of their Chiefs and assembly at the various political territorial organizations.

[3:40 p.m.]

They advised us that there was a coordinated effort that included fully informing individual First Nations about the key aspects of revenue-sharing arrangements, seeking their feedback and making a genuine effort to amend or address or respond to their concerns.

L. Throness: This simply provokes one more question that I must ask. We have a few very wealthy First Nations in B.C. Westbank is the most wealthy First Nation in Canada. We think of Tsawwassen. Westbank, I think, has some 500 businesses on its properties, and it will receive the same amount in base funding, 50 percent. That's $250,000 a year for the next 25 years, the same amount as a remote First Nation. I don't know what the population is, but Westbank probably has a larger population, because it is more wealthy. So it will receive a larger share there.

I'm wondering why only 10 percent is hived off for a remote community. Why wouldn't it be more than that and distributed more on the basis of need rather than on the basis of entitlement?

Hon. D. Eby: I think it's important for the member to at least hear, if not agree with, the approach of government in this, how this distribution formula was arrived at and why it's part of the agreement.

Government made a commitment that this would be something that First Nations would determine for themselves, that government wouldn't be imposing a formula upon First Nations, that we wouldn't decide what was best for First Nations. This would be First Nations making a decision about their own future, and the leadership groups would be accountable to their own communities.

That was the approach of self-determination. That was the approach that government decided to take. That is the formula that the First Nations arrived at through their internal processes, and that formed a key part of the discussion — co-development in negotiation of this agreement.

Sounds like the member has a different idea about how money could be distributed and what criteria he would use to determine who would get how much money. But it's not about him. It's about First Nations and about their own decisions about how the money should be distributed.

L. Throness: Yet one more question. I notice that the disbursement formula is not in the act. It is on the government's website. I'm wondering what the authority is for the disbursement formula. I'm wondering if that formula could change, if it's not part of the act, and how it would change, if it were to change.

Hon. D. Eby: I have a two-part answer. The first part responds to the member's previous question, and the second part responds to his most recent question.

The B.C. First Nations Gaming Commission provided some responses to some of the issues that were raised in second reading, and the issues the member raised were among those issues they responded to. I think it's probably best for him to hear directly from the commission about their decision-making process and the revenue-sharing arrangement flexibility.

They write that the initial distribution formula includes a 50 percent base share split equally among eligible First Nations, a 40 percent share based on population and a 10 percent share based on remoteness.

As a starting point, First Nations modelled the distribution formula after Ontario's formula and modified it to suit our particular needs. The initial distribution formula was ratified by First Nations in assembly at the three political territorial organizations.

Now, on the issue of flexibility around the formula:

> "Significant flexibility is built into the revenue-sharing arrangements to permit the distribution formula to evolve over time, for the weighting to change and to include other factors as experience is gained.

[3:45 p.m.]

> "Going forward, the formula will be determined by First Nations to provide weighting of the existing criteria or addition of criteria. The initial distribution formula will be reviewed after a three-year period to assess whether it is meeting the needs and interests of First Nations.
>
> "A review can also be initiated at any time by the province, the partnership or the political territorial organizations, pursuant to the periodic review mechanism built into the revenue-sharing agreement or initiated by limited partners themselves in accordance with the partnership governance mechanisms."

E. Ross: To the Attorney General: thank you for those answers.

I just want to follow up on some of the criteria, in terms of who is eligible for this funding. I was led to believe, based on the statements I heard in this House, that there was a consultation with 203 bands — or 199 bands, whatever that number may be. There was nothing said in this House to discount that, so I was actually impressed that an agreement was made with 203 bands. I don't think I've ever seen it happen in B.C.

Just to clarify, the leadership council is…. You're correct. It's made up of three organizations — Union of B.C. Indian Chiefs, Assembly of First Nations of B.C., and chief negotiators, which is the summit. But in either case, none of these organizations really represent communities at the ground level.

The summit is made up of, actually, chief negotiators who are in the treaty process. So those bands that aren't in the treaty process aren't actually a part of the summit. It's actually a voluntary thing. Union of B.C. Indian Chiefs is actually membership-driven. Same thing: if they don't have a membership, they're not a part of it. Assembly of First Nations is elected by chiefs and councils who choose to participate.

I understand this bill is intended to transfer money to communities that could really use it. I just want to clarify two things. Did the government rely fully on the leadership council to consult with 203 bands? If so, was the government aware of any specific process that ensured each band was consulted in a meaningful manner?

Hon. D. Eby: I worry that members may not be catching all of the discussion around this. So I feel like I'm repeating myself. But at the risk of repeating…. It's better to repeat myself and ensure all members have a clear understanding than not.

This specific issue was raised with the First Nations Gaming Commission. They wrote to government to share what their process was. They write:

"The consultation, which is extensive, has been coordinated through the leadership council and its delegate, the Gaming Commission. Discussions with government, which extended over many months, were led by the First Nations Gaming Commission.

"First Nations in British Columbia are entitled to participate as members of the leadership council's three constituent political territorial organizations — the B.C. Assembly of First Nations, the First Nations Summit and the Union of B.C. Indian Chiefs. All critical aspects of the gaming revenue-sharing regime, including the distribution formula and ratification of the agreements themselves, have passed votes on the floors of the Chiefs and assembly at the political territorial organizations.

"In addition to this, the agreements have been ratified by the limited partners, which are all 203 First Nations, at the time they joined the limited partnership.

Consultation has been a coordinated effort and has included fully informing individual First Nations as to the key aspects of the revenue-sharing arrangements, seeking feedback and making a genuine effort to respond to their concerns."

[3:50 p.m.]

I can also tell the member that in terms of which nations are eligible to join the limited partnership and to participate in this and eligible B.C. First Nations include Indian bands, treaty First Nations, self-governing First Nations established by statute. There are also provisions that would allow new Indian bands, new treaty First Nations and new self-governing First Nations established by statute to the list. There are also provisions that allow an eligible First Nation to identify another entity in the event there are name changes or that First Nations adopt or change their governance structures.

J. Rustad: Thank you for the answer to the question.

Having had the opportunity to work with the three leadership councils and with the bands, one thing that I have heard very clearly from the bands is that the leadership councils do not have the authority to make decisions on behalf of the bands. Unless there's a specific band council resolution that has gone from a band to the leadership groups, they don't have the authority to be able to enter into these types of agreements on behalf of the bands.

What's more concerning is that with many of these meetings, whether it's the AFN, the B.C. Assembly of First Nations, the Union of B.C. Indian Chiefs or the B.C. summit, more often than not there is rather low participation at their quarterly meetings.

I guess the question to the minister is: what authority did the leadership councils, the three leadership groups, have to enter into this agreement and to commit to this agreement on behalf of the bands?

Hon. D. Eby: It may be that the member doesn't fully appreciate the structure. What has been established here is a limited partnership. All 203 First Nations are eligible to become limited partners in the partnership. They are able, once they become partners, to shape the policy within the organization. The partnership is not the leadership council. The partnership is a separate entity called the B.C. First Nations Gaming Revenue Sharing Limited Partnership. It's not the leadership council.

Our understanding, as of about a couple of weeks ago, is there were 170 bands or nations that have signed up as limited partners.

J. Rustad: Thanks for that answer. The question wasn't so much the limited partnership and the signing-up of the nations as part of that. The question is the terms which had been defined. The splits, these components that have been established between the leadership council and those three entities and the Crown…. The nations

did not sign on to that. The nations only have an opportunity to sign onto the limited partnership, thereby giving their authority to that. The nations themselves were never consulted directly with that component — by government, that is.

I have spoken with many First Nation Chiefs. All had the same thing. First of all, they were surprised. They didn't realize the formula. They didn't realize the structure and restriction. They didn't realize the cost structure associated with it. Certainly, they have not in any way agreed in advance to that structure that was set up and organized. I understand the signing on in terms of the limited partnership, but there was not engagement in there.

[3:55 p.m.]

Once again, I ask the question: how did those terms come up and be put in place, and where does the authority lie with the leadership groups that were part of the negotiations? I'll ultimately put the question to the floor. Where did that authority lie rather than the bands themselves?

Hon. D. Eby: The member sets up a difficult scenario. He doesn't agree with the leadership council. He doesn't agree with the leadership council's participation because he doesn't feel it's adequately representative. He doesn't support a limited partnership where every nation has equal opportunity to participate as a limited partner. I don't know what he's suggesting in terms of what an appropriate structure would be. But every member nation gets to participate equally in the limited partnership.

With respect to the structures, the First Nations Gaming Commission writes, and he may have missed this:

> "Significant flexibility is built into the revenue-sharing arrangements to permit the distribution formula to evolve over time, for the weighting to change and to include other factors as experience is gained.
>
> "Going forward, the formula will be determined by First Nations, and it will be by those First Nations who are limited partners, to provide weighting of the existing criteria or the addition of criteria. The initial distribution formula will be reviewed after a three-year period to assess whether it is meeting the needs and interest of First Nations.
>
> "A review can also be initiated at any time by the province, the partnership and the political and territorial organizations, pursuant to the periodic review mechanism built into the revenue-sharing agreement or initiated by the limited partners themselves in accordance with the partnership governance mechanisms."

I don't think anybody is saying that this is going to be perfect right out of the gate. They're saying, very clearly, that there's flexibility built in so that the partnership can determine for itself, going forward, whether things need to be reweighted, new additional criteria. These reviews can be initiated at any time.

If the member is saying, "This doesn't seem to be perfect," he's right. But it's a very good start, and it creates this structure that enables the discussions that will take place to refine the formulas as necessary as determined by Indigenous people themselves, as determined by the limited partners in the partnership going forward.

M. Lee: I appreciate the level of the discussion here and the opportunity to join my colleagues to understand the interim agreement that was negotiated between the government and the First Nations Summit, the B.C. Assembly of First Nations and the Union of B.C. Indian Chiefs.

I heard the Attorney General indicate the status on the current 198 eligible First Nations that are spelled out or listed in the schedule to this agreement and recognize, as I understand, there are 170 that have currently signed up.

The concern that the member for Nechako Lakes is relaying here is that we have an agreement that government negotiated on an interim basis to effectively cover two fiscal years of government. Through the amendments under this bill, we're now looking at an opportunity for government to continue with the framework that was put in place, effectively, with the leadership council.

For the reasons that the member for Skeena also discussed, there are considerations around whether there has been an appropriate level of consultation and an opportunity for each of the First Nations — 203 bands in this province — to have had that direct level of understanding of the alternatives.

There has been a distribution formula that has been presented as part of this limited partnership arrangement under the interim agreement. That formula, as we understand, was determined, effectively, by the leadership council with the province. But was there any consideration for different kinds of weightings based on need?

We recognize that First Nations and their ability to benefit in this province…. They are not similarly situated. There's a recognition here of remote geography. But that's only one indicator of the need. Some First Nations are blessed with what traditional territories they hold through the economic partnerships that have been struck with the over 500 economic partnership and reconciliation agreements with the previous government, but others are not. Others don't have that same ability.

[4:00 p.m.]

This distribution formula was provided, as we understand, to each of the eligible First Nations. Even though 170 may have signed up, did they have a true understanding of the alternatives?

I'd like to ask the Attorney General: what is the status of the current review that's contemplated under the agreement around this arrangement?

Hon. D. Eby: The member is right. We, a government, worked with the existing First Nations political structures in the province: the Leadership Council, the Union of B.C. Indian Chiefs, the B.C. Assembly of First Nations and the summit. I understand the member to be suggesting that we should have done something different — specifically, that we should have gone out to the 203 First Nations in the province to negotiate this agreement directly.

It took 16 months to negotiate this with the existing political structures in the province. I can't imagine where we would be in this process, and I can't quite imagine what it would look like negotiating with 203, as one of the members noted, very diverse communities with very diverse and different perspectives.

What we have is a functioning structure, a limited partnership, in which all participating nations participate equally in shaping the future — a structure with considerable flexibility for refining or changing the distribution formula. If the partnership comes together and says, "Hey, this structure isn't working, governments; we need a different structure," I know, at least with our administration, that they would find an ear and they would find support to set up a structure that worked better.

I do understand that the member is pointing out the imperfection of the approach. I also want to point out the desperate need in countless communities across the province…. Well, not countless. We have a number of these communities that need the support for health centres, for community centres, for economic development, for housing. This revenue stream will be transformative, as it was for many nations in Ontario when that distribution system was set up in that province many, many years ago. So I think we have a real opportunity here.

I accept the member's points — valid points to be made — about ensuring that we hear all the voices of the various nations in the province, balanced with a desire to get a structure in place that will enable that to happen.

M. Lee: Well, thank you for that response. I'd like to understand. I appreciate that we're talking about the totality of the arrangement. It's important that we understand what currently is in place.

With that in mind, what are the determining factors for determining how an eligible First Nation is accepted by the general partner to be a limited partner under this arrangement?

Hon. D. Eby: I think the best response comes to us from the First Nations Gaming Commission themselves. This is apparently an issue that was raised in second reading debate. They wrote to us:

> "The partnership is fully inclusive of all recognized First Nations, including Indian bands, treaty First Nations and self-governing First Nations located in British Columbia. There are no other eligibility requirements.

[4:05 p.m.]

> "There is flexibility built into the eligibility criteria as First Nations governance structures evolve, pursuant to principles of self-determination, over the 23 years of the agreement, to recognize other entities as may be established by First Nations.
>
> "Any First Nation that subscribes to the partnership is entitled to its share of discretionary funding from the stream of gaming revenues subject only to very limited annual reporting and audit and usage requirements. This involves filing a brief report on use of funds together with the audited financial statements otherwise prepared to meet INAC reporting requirements."

M. Lee: I appreciate that, as the member for Richmond-Steveston and myself had the opportunity to have a briefing on this bill, there was an indication by staff from the ministry that government does not have access to the partnership agreement itself. Recognizing that it is viewed by this government to be an internal matter among First Nations, what I'm hearing is that eligibility to be part of this limited partnership is only determined by the indication that's set out in the schedule.

If you're listed on that schedule, you should be able to become a limited partner. Can I reconfirm that that is the case?

Hon. D. Eby: I believe the short answer to the member's question is yes. I do want to make one clarification, though, with respect to the limited partnership agreement. The interim agreement and the long-term agreement were gazetted. Because government is a party to those agreements, we are not a party to the limited partnership agreement. However, it has been shared with government.

I wanted to clarify that in terms of the member's question.

M. Lee: Well, thank you for the clarification. That probably will facilitate some of the responses here that we could be asking.

Perhaps just with that point…. Of the 198 eligible First Nations that are listed in the schedule, based on what the Attorney General has shared with this House, 28 have not yet signed up as limited partners.

Can I ask what the delay is, that being the case, given that the funds have been transferred to the partnership?

Hon. D. Eby: To ensure clarity, because we are throwing around a number of different numbers…. I've been using 203, and the member used 198. Both of us are, in our own ways, correct. The Nisga'a Nation is one name on the list of 198, but it's a composite body of several different groups. That's how you get to the 203 number, just by way of clarification.

What is clear is that — we just got an update — there are 171 nations that have applied as limited partners. There are 17 that are missing one document, so they're just in the final process of becoming limited partners.

As for the difference between the 171 and the 198, I don't yet have an answer for the member about any particular reason why those nations may or may not currently have signed up to participate.

[4:10 p.m.]

M. Lee: Thank you for that response. So it sounds like eligible First Nations are continuing to consider and sign up for the partnership. Who makes up the board of the general partner?

Hon. D. Eby: As we understand the internal mechanism of how the nations who are partners are governing themselves within the limited partnership…. It's our understanding that there is a shareholding and then an elected board from the shareholders, but we don't have details about that for the member. That's an internal matter within the First Nations Gaming Revenue Sharing Limited Partnership, and we don't have that agreement here with us to provide that clarity, unfortunately, for the member.

M. Lee: It may well be that there is a certain appreciation for how this partnership will govern itself. I raise the point to understand who, effectively, is that governance structure. It goes back to the point that the member for Skeena and the member for Nechako Lakes have been raising about what level of consideration there is by the 203 First Nations as part of this structure.

If I can ask, though…. There is a reference to changes that might occur under the interim agreement with an approval level by extraordinary resolution of the limited partners. What is that level required, in terms of a percentage or other indicator, of what an extraordinary resolution threshold would need to be met by the limited partnership itself?

Hon. D. Eby: I have just a question in terms of clarification for the member about his question. I wonder if he could guide us to the section of the interim agreement that he's pointing to about amendments to the interim agreement.

I have an update for him in terms of what we're hearing from the nations that haven't yet participated. We understand that there are no refusals to date, that the nations that haven't yet signed up are taking legal advice on their participation. So we'll wait for them to receive that legal advice and make a decision for what's best for their nation.

[4:15 p.m.]

M. Lee: Just to give an example of the reference to the threshold for approval, in, for example, section 3.3 of the interim agreement, on page 17, it states that the distribution formula may be amended by an extraordinary resolution of the limited partners, pursuant to the partnership agreement. So this is of interest, I would expect, to all First Nations. If there was going to be a change in the formula for distribution of the funds, based on that 50-40-10 model, it's important to understand what level of approval is required for that change.

Hon. D. Eby: I thank the member for the reference. It was very helpful, and we've gotten our hands on a copy here of the partnership agreement.

The special resolution threshold is 66⅔ percent, and the extraordinary resolution threshold is 90 percent.

M. Lee: I will just say that section 3.3…. I appreciate that response. That would suggest that there is the ability, of course, for approval without unanimous consent.

So 10 percent of First Nations who are signed up for this arrangement could be effectively overridden by the vote of 90 percent of the limited partners. Was there any consideration by leadership council of that threshold?

Hon. D. Eby: This is an agreement between and among First Nations, and we have confidence that they are considering and determining the best way to organize themselves in terms of this structure. They set those thresholds for their own agreement, and I can advise the member that they did that. As to the consideration, specifically, that they went through, that was their agreement to determine.

M. Lee: I appreciate that response.

If I could take us to another part of the agreement to understand the arrangement under the partnership, there clearly would have been and still are, under section 4.7 in the interim agreement, "held amounts," as the term goes. There are terms that are utilized in that section, around "permitted investments."

I would ask the Attorney General: for whose benefit would those permitted investments be held to confirm that? Secondly, for any revenue that was derived from those funds, whose benefit does that go to?

I should just correct the section reference. That's actually 4.7(b), in terms of the held amounts for investment income.

[4:20 p.m.]

Hon. D. Eby: "Held amounts," section 4.7, refers to amounts that are dedicated to a particular nation that may not have signed up or may not be participating in some way to be able to receive those funds. The amounts must be held for the benefit of that nation or band.

They're held in three-year increments. So it builds over three years — year 1 plus year 2 plus year 3. If after three years the nation hasn't claimed those amounts, then it resets to zero and starts again. Year 1, year 2, year 3, and then it resets to zero.

The held amounts are invested, and permitted investments are low-risk investments. The interest or the revenue from those investments…. The member asked where that will go. We're just clarifying right now exactly where that will go. As soon as I get that answer for the member, I'll let him know.

M. Lee: I appreciate that. What I'm wanting to understand is the overall partnership structure, of course. That's one element in terms of where that revenue might go.

Perhaps I can go to another question, in the meantime, around the actual administration of the partnership itself. What is that annual administrative budget for this partnership?

Hon. D. Eby: This is another one of those responses that the B.C. First Nations Gaming Commission has provided, and I think it's probably helpful to read directly their own commitments on this.

"Using a limited partnership owned, controlled and accountable to First Nations, rather than a government agency, to distribute gaming revenues is in accordance with the principle of self-determination. There is value in First Nations managing and administering the funds themselves, rather than having the Crown directly involved. First Nations are capable of managing their own financial affairs.

"As stated previously, the partnership is to be run in a lean and mean fashion. Operating costs are targeted to be less than 1 percent of the average annual income of the partnership, and funds are placed in approved low-risk investments pending distribution.

"The partnership is mandated to receive, manage and distribute funds in the most cost-efficient manner possible. Its operations are subject to transparency and accountability to its constituents. All First Nations that subscribe as limited partners are provided with copies of the revenue-sharing and partnership agreements and are entitled to annual audited financial statements of the partnership."

[4:25 p.m.]

M. Lee: To clarify, if it's 1 percent of the annual income…. Could I ask: what is that annual income?

Hon. D. Eby: The estimate of the gaming commission is less than 1 percent. It would be less than 1 percent of approximately $100 million, so less than $1 million a year.

M. Lee: In terms of the existing revenue-sharing agreements that are in place around gaming with various First Nations, including the Musqueam in respect of River Rock Casino in Richmond, or revenue-sharing agreements with four municipalities in Victoria, Esquimalt, Saanich and Oak Bay, what is the impact of this revenue-sharing arrangement, global, versus those direct revenue-sharing agreements for specific First Nations with municipalities as well?

Hon. D. Eby: Okay. I have several answers for the member. They've started piling up a little bit here.

The member asked about the directors of the limited partnership. The initial board of directors are nominated by the provincial — pardon me, the PTOs — political territorial organizations and the leadership council. That is just the initial board. Going forward, they will be elected by resolution of the limited partners, so the nations themselves will elect the board. Then the interest from the low-risk investments will be accrued to the First Nation whose money is being held, waiting for that First Nation to claim their share. That interest will not be going anywhere else. It will be going to that First Nation.

Then the member's question that I'm standing up on, in relation to municipalities. There won't be any impact on municipal government share, which is calculated based on the revenue from the facility in their area. This is calculated based on the net revenue to government from the B.C. Lottery Corp. So that number comes after the host local government share, from the facility.

M. Lee: In looking at revenue-sharing, this is obviously an important topic in terms of entering into these long-term agreements. At what juncture, in terms of additional sharing of revenue and gaming revenue, ought there to be a consideration of that, in terms of what an individual First Nation is already receiving and what they may

receive in the future — versus ensuring that we're sharing all the benefits based on, at least, the current distribution formula that's under the partnership agreement?

Is there a concern regarding ensuring on a 25-year basis — 23 years to go — that we're providing the right level of funding to First Nations that perhaps should take into account what they're already receiving under other gaming arrangements?

[4:30 p.m.]

Hon. D. Eby: The member may have suggestions about different ways to distribute the funds — different criteria, different deductions or additions. The structure of this is that First Nations will determine for themselves through this entity, this limited partnership in which the nations all participate on an equal basis and elect a board of directors and make decisions about how moneys should be distributed. It's part of the government's support for the self-determination of Indigenous people.

I'm sure that there are any number of suggestions about how that could happen and what should be taken into account. Likely, it'll be part of the conversations within that limited partnership, but it will be determined within the limited partnership, not by government.

M. Lee: We are at a juncture now where this enabling legislation will effectively enable the government to commit to this revenue-sharing arrangement over the balance of what was contemplated, the additional 23 years. Could I ask the Attorney General: what is the status of the negotiation of the long-term agreement?

Hon. D. Eby: The completion of the long-term agreement is dependent on the passage of legislation and the final form of the legislation once it passes through the Legislative Assembly.

[J. Isaacs in the chair.]

So should the legislation pass through the assembly, and should it pass through as written, then the hope is that we would be able to enter a long-term agreement before the end of the year.

M. Lee: Just to ask: in terms of that timing, will there be an opportunity to complete whatever interim periodic review mechanism that's spoken to in the interim agreement? Will there be actual further consultation about this arrangement with the First Nations that might go into the development of that long-term agreement?

Hon. D. Eby: In section 9.1 of the interim agreement, there's an agreement between the parties that there won't be a periodic review under the interim agreement unless there's an agreement to do that otherwise, and there hasn't been. What there have already been, having worked for a little bit under the interim agreement, are

discussions about how those learnings will inform the long-term agreement, which is still being negotiated — subject to, of course, the passage of the legislation in this House.

The anticipated period of the periodic review is an annual review. So the first review would be within a year of the implementation of the long-term agreement, probably, but that is still a matter that is under discussion under the long-term agreement discussion.

[4:35 p.m.]

M. Lee: Just to clarify. I appreciate the reference to section 9.1. When I look at 9.2, there was an expectation that the parties would identify an initial periodic review of this agreement — which presumably means, of course, the interim agreement — and that the parties would need at least six months before the initial periodic review date to discuss what would be contemplated in that.

Has there been a date set for that initial periodic review?

Hon. D. Eby: The member correctly refers to 9.2, but 9.2 is reliant on 9.1(c). So 9.1(c) says: "The parties acknowledge that a periodic review will not occur under this agreement unless the parties have agreed to a periodic review when extending the term of agreement in accordance with section 8.2." In the event that happens, under 9.1(c), then 9.2 kicks in, because 9.2 says: "If the parties agree to a periodic review as contemplated by 9.1(c)" — where "then" isn't there, but there is a comma — "they will engage in the periodic review as follows."

There hasn't been an agreement to that, because what's happened has been that working under the interim agreement, the partnership has identified opportunities for improvement already, and there's been an informal back-and-forth and a discussion as part of the negotiation and discussion around the development of the long-term agreement. So the first periodic review would happen, if that is ultimately what's agreed to in the long-term agreement, in a year from the implementation of the long-term agreement.

Again, I'll stress for the member that if he wants a specific date, that is something that's under negotiation and discussion under the long-term agreement.

M. Lee: I hear what the Attorney General is saying. I would have thought, though, that government, at this juncture, prior to recognizing the nature of the agreement — what this new entity, in terms of the PTOs, by definition, are having to represent….

This would have been the juncture, prior to the entering into of the 23-year term of a long-term agreement. This would be the time for the government to get a better understanding and ensure that all First Nations have been fully consulted, that they've had their views known — any concerns that they might have about the formula that was

put out by the leadership council. This would be the time to have that level of engagement prior to entering into a new long-term agreement, for which, as we were just discussing, there is some contemplation of periodic review.

Really, this government and the leadership council have had, effectively, two years to work with this construct, and if there are concerns — at least concerns that we've been hearing from First Nation Chiefs that various members on our side of the House have been talking to in the time that we've had since the introduction of this bill — this would be the time to ensure that those concerns are being addressed.

Again, what level of comfort does the government have that that level of consultation is taking place with those limited partners prior to the entering into of a 23-year, long-term agreement?

Hon. D. Eby: These are still really early dates. We've got, as I advised the member, 171 nations that have begun the application process. Well, there are 17 that are on the verge of completing; the rest have completed the application process of becoming limited partners. But there are still a number of nations that are taking legal advice about participating and how they should participate.

The structure that, hopefully, all of the nations will be participating in, this limited partnership, will be the mechanism to identify concerns and issues and bring them forward to government through a democratic process where all 203 — or 198, depending on how you're counting — nations are participating.

I have confidence in the structure that's being set up to be able to bring those concerns forward to government, in addition to all of the usual means that nations have to bring issues to the attention of government, including the upcoming leadership group meetings that we're having.

[4:40 p.m.]

There are many mechanisms for these concerns to come forward, and the key, I think, to all of it is an effective limited partnership structure that is governed by and for First Nations people. I think that's what we have here.

M. Lee: Just to further this point, once we have this partnership entity that's been fully installed through the membership of all of the eligible First Nations, those eligible First Nations, of course, will need to work within the confines of that partnership agreement. So for any alternative in terms of the distribution formula itself, the structure that is being imposed on First Nations at a $1 million or so cost per year, the administrative structure that's imposed and this long-term arrangement….

Again, this is the juncture for which limited partners, including those who have signed up to be part of the partnership and those who have not yet done so, who may

be seeking, as the Attorney General has mentioned, input from their legal counsel…. This is the time for them — those who haven't signed up as limited partners yet — to fully understand the arrangement and their rights and their access to these funds and the overhang of the leadership council, the structure that's been put in place over these funds.

Again, is there a further opportunity for government to have that direct level of check-in with First Nations, particularly those who have not yet signed up to be limited partners in this partnership? They've had some time now to do so, and maybe this is a capacity issue. Certainly that would be recognizable for some First Nations, but in terms of the time period in which they've taken to sign up, it may be an indicator of a lack of appreciation and understanding for the arrangement itself.

I think it's incumbent on this government and this Legislative Assembly to ensure that there's been the right level of consultation before eligible First Nations are having to further lock into…. It's one thing for an interim agreement for two years, but now that that's been put in place and there's a….

If the Attorney General wants to describe it as early days…. We're hearing from many First Nations, through their Chiefs, that, yes, it is early days, because they don't actually fully understand all of the ins and outs of the interim agreement and what has been entered into here. There seems to be a bit of a disconnect in that regard, so we have some concerns around that, as to why that is.

Again, to the Attorney General: is there not a further opportunity at this juncture to ensure that government is receiving and ensuring that right level of consultation with First Nations?

Hon. D. Eby: In November, we have the leadership gathering, and we'll have nations from all over the province, bands coming to meet with government, meet with opposition, share perspectives and concerns about what's happening in the province, bring in local concerns. It's certainly a good opportunity for us to hear about any concerns.

I'm going to be honest, though. People were pretty happy. They were pretty happy that after 20 to 30 years of lobbying for what First Nations have had across Canada for a long time, which is a share of gaming revenue, B.C. being the lone province holding out…. They're pretty happy about the breakthrough. They're pretty happy about a dedicated stream of revenue that they can use for housing, for community, amenities, for economic development.

All of these things are going to be quite transformative in a lot of communities, as we've seen in other provinces, including Ontario, that have a structure exactly like this. It was the inspiration for the structure here in B.C., according to the gaming commission.

I do understand the member's apprehensions about the structures and so on. But in terms of having a government…. The alternative, as I understand it, that the member is representing — that government should be negotiating directly with all 203 First Nations some kind of agreement, reaching agreement with all 203 First Nations and then distributing the funds…. Rather than using the partnership, government should be distributing the funds based on criteria set by government. That's just a different approach. That's just a totally different approach. That is not the approach that we took.

We believed that this was an urgent matter — to get these resources into the community. We worked with existing political structures. The agreement establishes a democratic partnership that participant nations are entitled as a right to join as limited partners and to vote directly for a board of directors to set their own priorities, to adjust the funding formula as is appropriate for their needs. If the member thinks that government could do that for less than a million bucks, I've got a lot of news for the government about how things work. It would be a very expensive process for the government to do it.

I do understand that there are different ways that this could have been done. But I'm not sure they would be better. First of all, we'd be talking about a significant delay in terms of the negotiation. It took a year and a half almost, as it was. Secondly, it would be significantly more expensive for government to administer. Third, and I think most importantly, it would undermine the principle that is informing this entire thing, which is around self-determination, around saying to nations: "You know best what the needs are in your community. You know best the priorities. Allocate this as you see most appropriate."

This is a priority for our government, a priority and a philosophy that informed the structure here. I agree there are different approaches. But that's not the one that we took.

J. Rustad: To the minister, I want to thank him for his responses.

I need to be clear with something, in terms of the questions and the perspective that we're trying to bring to this. We're not opposed to the money from the gaming revenue flowing to the First Nations. Okay? So you've come forward with a plan. The government has come forward with a plan in terms of how that can be done, and we're trying to add some scrutiny in terms of how that plan was done. We're also trying to make some suggestions or some thoughts around some of the concerns or issues that could also be thought about.

The minister had just stated that we're suggesting that you should go out and negotiate with 203 First Nations. Having had the file, I understand the complexities of trying to take that approach. I don't think that's necessarily what's being suggested. But

what I'm concerned about is that in 2009, there was an approach where government engaged significantly — well, it was before that; it was a lengthy process — with the three leadership groups, the First Nations leadership groups in the province of British Columbia.

The leadership groups went out, and they talked to their members. They came forward. They entered into this agreement with the province. Then the First Nations themselves said: "Wait a second. This isn't what we had anticipated. This is what we agreed." There was a huge kerfuffle and significant backlash to the leadership council, and quite frankly, the leadership councils at the time were told they needed to go to the bands and get approval before they could enter into those kinds of discussions and agreements.

My concern is that even though the intentions here are good, we may end up in the same type of situation, where, as First Nations become more aware of what the agreements are, how this whole process works, they may come out and say: "This is not what we had envisioned." For example, the Okanagan Indian Band had this view that they could take the money and put it into a trust and use it to purchase assets and have it as a long-term benefit for their people. Well, to my understanding, that's not allowed.

There weren't those discussions, in terms of the limits and the process and the components with the nations. Hence, raising the question about, once again, this approval process of the nations to the leadership council to be able to enter into and to be able to have these kinds of sign-offs or agreements with the province when they don't have the authority given to them by the nations to do that.

[4:50 p.m.]

To the minister, I guess, why wasn't that taken into consideration, those sorts of issues, as part of the process? Given the track record and the history of this problem in the past, is there a concern by the minister that we may be in a situation where what could be considered good news and what should be considered good news in terms of revenue flowing to the First Nations could ultimately end up getting tied up in some disagreements and disputes and challenges and issues because the leadership groups do not have the authority to actually enter into these types of agreements on behalf of the nations?

Hon. D. Eby: I'm sure the member can forgive me for misunderstanding the comments and the questions, including his. He said in second reading debate: "It seems to be more about paying off friends than it is about actually getting the resources to the bands. I see members on the other side seem to be shocked about that. Why are you working through the leadership council? Why aren't you working directly with the bands? Why isn't the money flowing directly to the bands?"

When he says that that's not what he was advocating, I accept that he's come a distance from second reading, which is good, because he said some pretty terrible stuff during second reading about this initiative to support nations across the province. I think that the structure that we set up is one that will prove to be, as in Ontario…. Actually, I shouldn't say: "We set up." The First Nations set it up. What they've set up will prove to be as successful as it's been in Ontario. It's been quite remarkable — the impacts in those communities.

I will say that the previous government had its own approach to First Nations issues in our province, and we have a distinctly different approach. I know that we'll have disagreements on this file, and there will be different perspectives. It is my hope that we have a different relationship with First Nations. We're starting a different relationship with First Nations in the province than the previous administration.

I understand that the 2009 and the 2002 referenda and all of those things that the previous government did didn't turn out super well. But we have a different approach here. We're going to take a shot at it with humility and understanding that we've got a lot of work to do, and hopefully cross-partisan work to do, in repairing the relationship between government and First Nations that started well before we got here and will continue for many years after we're done here.

J. Rustad: Well, the minister didn't really answer the question. I appreciate that the question wasn't an easy one.

Just to reiterate my comments from second reading, my comments are that the money should go directly to the First Nations, not through some structure that's set up by the leadership council. I'm trying to explain why it shouldn't have been set up and structured like that. I provided the rationale, and the minister ducked the question. I'm not sure. Maybe he didn't understand the question I had — I'd be happy to repeat it again — or maybe there's a reason why.

The question is that the First Nations Leadership Council does not have….

Interjection.

J. Rustad: Excuse me. This is committee stage. If the Minister of Forests, Lands and Natural Resource Operations would like to get up and contribute, he can do that. But heckling, I thought, out of courtesy, wasn't so much allowed in here. Well, I guess it's allowed. Sorry. But out of courtesy, that's not the standard practice.

The question, once again, is the authority that the leadership council had to enter into this agreement and to create this structure on behalf of the nations. The nations, unless they have given them band council resolution and given them the authority to do that…. They do not legally have the authority to enter into those agreements. That's what we learned from the 2009 experience with the nations, and quite frankly, the

nations were quite upset with the leadership council for taking on that authority without going through that process.

[4:55 p.m.]

From that point on, the leadership council made it very clear with government that they didn't have that authority, but they were there and advising and advocating and working on various approaches. We worked with them to create the All Chiefs meetings. We worked with them on doing a number of things, but we never once entered into any types of agreement with them that would have assumed the authority for them to speak on behalf of the nations because that wasn't the authority they had.

Once again, like I say…. I know the government's intent in trying to do this, and I'm not trying to be in a position here where I'm arguing that the minister shouldn't be doing this and taking this approach. I have a general concern that this could end up having a problem. Without having that authority, it does create a potential issue with the nations to the leadership council. Now, that could end up being able to get resolved through the limited partnership process.

The answer to the question to the minister is…. Was that a concern? Is that something that had been thought about? Was it not thought about? If it wasn't thought about in terms of the potential risk in terms of that, does the minister have a process or a thought in terms of going out and actually asking the nations directly if they are interested in this process or if they'd like something different?

Hon. D. Eby: The member outlines a number of reasons why he wouldn't enter into an agreement with the First Nations Leadership Council. We haven't. We haven't done that. I understand he has concerns about that. I can provide him with some assurance: we haven't done that.

The gaming commission has set up a structure which is a limited partnership. All nations are entitled to participate as limited partners. When the master agreement is negotiated, it will go to this entity in which all of the nations are participating democratically. It will be ratified or not by them — not by the leadership council, not by the BCAFN, UBCICor the First Nations Summit, but by this group of the nations in a democratic process.

I hope that helps the member understand what we've done here.

A. Olsen: I'm just wondering if you could reiterate the number of…. You identified the number of First Nations in the province and the number of First Nations that have signed on to the limited partnership. Maybe you could just reiterate that.

Hon. D. Eby: There are 171 nations in either full membership as limited partners or on the verge of completing membership. There are 17 on the verge of completing

membership of that 171 group. Depending on how you count nations in the province, there are 198.

The remaining nations are taking legal advice about — well, one can only assume about what — I'm sure, any implications that there may be for their nations in accepting or participating in this limited partnership so that they go in eyes open, which is always a good idea. So they're taking that legal advice.

No one has refused yet to participate. When the long-term agreement, assuming the passage of this legislation through the House…. Our hope is that there would be a long-term agreement complete by the end of the year and ratified by this limited partnership and all of its limited partners.

A. Olsen: Did the provincial government not announce this was happening last year — one full year ago, almost — at the B.C. Chiefs and B.C. cabinet meeting — that the government had committed to this process and that there was notification that this process was underway?

Hon. D. Eby: It certainly was announced then. It's been announced a number of times since then. There have been a number of different points of contact between government and nations across the province. It has been a topic of discussion.

We also have the upcoming leadership gathering, as the member knows, in November, when we'll be meeting with chiefs and councils again.

A. Olsen: Was it a part of the budget discussion in the early spring that there was going to be some moneys available for First Nations and — it was widely talked about in the public — that this was also going to be a process and that there was a process for them to be a part of this?

[5:00 p.m.]

Hon. D. Eby: I want to be forgiven for thinking that the member was paying attention. Yes, that's right. That did actually happen, and there was that detailed discussion in the budget discussion as well.

A. Olsen: Just one further one. This is one where I'm quite…. I haven't checked this, but I'm wondering if maybe this was all part of the throne speech as well. Maybe you don't have that answer, but it seems to me….

The point here, of course, in these questions — and I'll try to not ask the same question 30 different times — is that this has been a long-standing conversation that's been happening. First Nations leadership across the province has been well aware of this at least for over the last year, if not going past several years. This is certainly something that Indigenous nations have wanted and have asked for. There's been

ample opportunity, through whatever leadership groups that they're a part of and whatever group that they're in communication with, that if this was a concern, government would have been notified of that.

Certainly, as an opposition critic to the Minister of Indigenous Relations and with respect to Indigenous issues, when those issues do come up, I can tell you that I'm notified. The point being…. There has been a lot of conversation in the public about this in several different ways.

Hon. D. Eby: That is correct.

J. Rustad: I want to thank the member for Saanich North and the Islands for such in-depth and penetrating questions that he asked — very riveting information, I'm sure, for the people listening in, within the Legislature and beyond.

Back to the questions at hand, in terms of the structure that's in place. I understand that this is the structure that has been put up. Like I say, the minister hasn't really answered the question, once again, with that. The reason for raising these concerns is, quite frankly, going out and engaging with First Nations and speaking to Chiefs directly, which is what the government hasn't done on this file, on this particular issue. Particularly on the details of what has been structured, I have come to the understanding that it is not supported.

The support for revenue certainly is there, and they want to see it happen, of course. The nations are all part of that, and it's one of the reasons why…. I have stated more than once that I'm not opposed to the revenue going to the nations. But there hasn't been the discussion between government and the First Nations, who are the rights and title owners and who are the only ones who have the authority to enter into revenue agreements with the province. That hasn't been done, which is why I have this concern with the structure that's been put in place.

Now, the minister is avoiding that question, and that's fine. If he wants to take another shot at answering it, that's up to him as well. But I do have another question I want to pursue, which is around the cost structure of having this limited partnership put in place.

The minister has stated that the anticipated cost is going to be 1 percent or less. Could the minister provide any sort of details as to the confidence of that particular number, or is that just a target or an aspirational goal?

Hon. D. Eby: You know, I do try to answer the member's question. He says that I didn't answer them. I feel like I'm operating in some kind of parallel universe.

Can the member imagine a structure more democratic, more involving of all of the nations in the province, than one where they can participate, as a right, in a

partnership where they all vote and ratify together the long-term agreement? Can you imagine a more democratic…? It's literally all the nations sitting together, approving the long-term agreement. It's what's happening.

I understand that he has concerns. I understand that he thinks this is some kind of a fancy job between friends. It is bizarre to me, that perspective. But anyway, that's his view. That's fine. Well, it's not fine. I think it's profoundly offensive. But anyway, that's his perspective, right?

[5:05 p.m.]

I can't imagine a more egalitarian structure than what the nations have set up here. He can, or he thinks that government can hand it out better. That's his perspective.

In terms of the costs, this issue was addressed in an earlier question. I'm glad to revisit it with the member. The B.C. First Nations Gaming Commission wrote…. There were a number of issues raised during second reading, as they properly should be, by the opposition. One of them was around the costs of administration, and they write in response to concerns related to that:

"Using a limited partnership owned, controlled and accountable to First Nations, rather than a government agency, to distribute gaming revenues is in accordance with the principle of self-determination. There is value in First Nations managing and administering the funds themselves, rather than having the Crown directly involved. First Nations are capable of managing their own financial affairs.

"As stated previously, the partnership is to be run in a lean and mean fashion. Operating costs are targeted to be less than 1 percent of the average annual income of the partnership, and funds are placed in approved low-risk investments pending distribution. The partnership is mandated to receive, manage and distribute funds in the most cost-efficient manner possible.

"Its operations are subject to transparency and accountability to its constituents. All First Nations that subscribe as limited partners are provided with copies of the revenue-sharing and partnership agreements and are entitled to annual audited financial statements of the partnership."

It's not just that I have confidence in this, but it's important that the limited partners have confidence as well, which will be underlined and reinforced, one assumes, by these annual audited financial statements of the partnership.

J. Rustad: So there isn't a detailed breakdown in terms of what the costs are. That's clear in terms of that. There is a target and a goal in terms of managing it.

I guess the question to the minister is on the elected board members. Will they be paid for their position and their time and their representation, including compensation for expenses, for any and all meetings that they would have to attend? I've got a number of questions along this line, and I don't think the minister will be able to answer them.

The reality is this. You have a limited partnership that's going to be managing over $100 million annually. It's going to be flowing that money through. There is going to be money that will not flow through. That will be set in a trust that will need to be managed, that'll need to have accountants, that'll need to have decision-making around that. There is going to need to be a reporting structure, both back and forth to the nations as well as to the province, as part of it.

There will be, I'm sure, meetings of the members of the limited partnership. You know, one meeting in Vancouver, to bring everybody there, is in the vicinity of half a million dollars just by that itself, just to have them come down and have a meeting. If they only have a meeting once a year, that would eat up half of the budget that the minister is anticipating.

It seems to be completely unrealistic when you think about the structure that needs to be put in place to manage $100 million of flow-through and still have it be managed for simply less than $1 million, which is what the target is. I understand that is the goal or the aspiration that is being laid out.

When you start looking at the cost structure that needs to be put in place to be able to manage it, not to mention a facility that I understand is now being set up in Westbank…. And there will be costs associated with rent and all the rest of these types of things that'll be put in place for it. It puts into question whether or not that target of $1 million is realistic.

I guess that's why I'm asking the minister. Can the minister provide any kind of assurances, other than the targets? When you start looking at what all those cost structures potentially could be, associated with running this limited partnership….

Hon. D. Eby: We're not running the limited partnership. All of the nations participate as limited partners. If they're not happy with administration costs — if they think they're too high, if they think too much money is being spent, if they think not enough money is being spent in order to allow them to participate fully in decision-making processes — then they have a remedy for that. They are shareholders, and they can ensure that their voices are heard in that way.

I hear the member's concern, alternatively, that there's too much administration cost and it should be done directly by government, or that it's not enough administration cost because the cost of getting everybody down for a meeting is significant.

These determinations about administration costs and ratios will be determined by the limited partners themselves, by the First Nations themselves. If they're happy about how things are running, then they will ensure that that continues. And if they're not happy, then they have a very clear route to address that. I hope that is helpful for the member.

One of the things that I'm curious about and I wonder about is the administration cost generally when the government issues funding. I agree with the member that $1 million does seem very conservative in terms of the costs of administration, because he knows and I know that government administration is expensive.

I do believe that the limited partnership will be a more efficient means of distribution and will have a benefit, which the commission has clearly identified, of building capacity. There's a benefit in having First Nations administer their own funds for themselves. It's an opportunity for capacity-building. It's a development in Westbank. The member has suggested that it gives people an opportunity to participate in these kinds of processes and to have the benefits of self-determination — all the things, all the benefits that come along with that.

It's not just the cost of administration. It's the opportunity that comes with administering resources for a First Nation's own benefit in the province, which is significant.

J. Rustad: This comes to the crux of the issue. If the member had spoken to the Chiefs directly, they would have told him that they are more than capable of managing their own money. I think the member agrees with that. I think in his statements, the minister has said that First Nations are more than capable of managing their own money.

So why have this job creation process in this limited partnership? Just give the money to the First Nations and allow them to manage it. Allow them to report back. That's the issue. The concern will be that although the target is good to see, in terms of trying to manage this sort of thing for under $1 million, the reality is that governing is expensive. Managing is expensive. There are lots of things that get filtered in, in being part of it.

The difference is when government gives that money directly to the nations, it doesn't come out of the money they give to the nations. With the limited partnership, it does. That means there's money that's going towards managing this structure and that is not going towards the First Nations and the goals and aspirations that government would like to see, which makes the process for the nations less effective, less efficient.

It's also why the Chiefs have said that they don't support the idea of a limited partnership. It's not that…. I mean, they're signing on to it, because that's the only choice they have, because no one's ever talked to them. The government hasn't talked to them about these issues.

Before I get to moving an amendment associated with that, I've got a couple of other questions that I just need some clarity on. The minister talked about the INAC reporting requirements in terms of how this is registered and how this goes through the federal process and the federal oversight. Is the revenue that comes in from gaming to a First Nation considered to be an own-source revenue?

What my concern is…. If it is considered to be an own-source revenue to the nation, then the federal government can actually reduce the funding that they have coming to the nation by some or all of that amount. In which case, the money being transferred just becomes part of…. The same amount of money is there. It just comes out of a different pocket — the provincial government, as opposed to the federal government.

I'm curious about whether or not this is considered own-source revenue and whether it could ultimately be clawed back by the federal government.

[5:15 p.m.]

Hon. D. Eby: One of the pieces, one of the governing structures, that our government has adopted is the UN declaration on the rights of Indigenous peoples. Part of it talks about governments working with Indigenous-led organizations. The First Nations Gaming Commission has been around since the mid-'90s. They appear to be a group that has its own structure and its own mandate from First Nations communities.

Certainly, for the purposes of establishing this structure, we didn't hear a huge number of people saying: "Don't work with the commission. They're not a good organization to work with. You should work with someone else, or you should do it some other way." It's hard to imagine how the structure that they came up with — this limited partnership with all of the nations participating equally and democratically to choose directors and set policy — is not kind of a perfect Indigenous-led organization. This was the solution that the First Nations came up with themselves.

Now, I understand that the member…. Well, he's asking questions, which is his job in opposition, and it's hard to know what his own personal thoughts are about how we should be proceeding with this. He has mentioned, a couple of times, distributing money directly to the nations. The challenge with that, of course, is that then government is setting the formulas and government is determining these things. You don't get the benefits of self-determination and Indigenous-led organizations running Indigenous affairs, which is something that our government prioritizes in its values.

The member asked a specific question about own-source revenue — the concern being that if you start distributing money through the limited partnership to First Nations, the federal government will reduce federal grants to those nations by an equal or a proportionate amount. I have a happy piece of news, certainly, for the member — which is that the federal government has committed that they will not do that. They will not be reducing other grants or flows from the federal government based on the gaming revenue that a nation receives from the province.

J. Rustad: I'm happy to hear that that has been addressed, because, once again, the intent of this bill is to have the money going to the nations and have the nations be able to help build capacity, etc.

I guess one last question before I move an amendment to this. It's just a question of curiosity. The limited partnership will be set up. Obviously, the members of that limited partnership can vote. If the members were to go into the first meeting — on year three, after the two years are done in the limited partnership and the rest of the money starts flowing in — and if in their first meeting, they were to decide to dissolve the limited partnership and have the money flow directly to the First Nations, is that something that is contemplated or possible?

Hon. D. Eby: One of the benefits of the limited partnership and of the equal participation of nations as limited partners in it is that this entity can provide direction to its own board in terms of its own mechanisms but also to government about policy and tweaks to the long-term agreement or anything like that. It's actually one of the great benefits of this structure. It creates the very entity that, as members on the other side have been pointing out, is missing. This entity is able to speak, maybe not with unanimity but, certainly, with universal participation by all 198 First Nations — or 203, depending on how you're counting.

[5:20 p.m.]

J. Rustad: Well, I'll ask the question again, since it wasn't answered. If the nations, upon their first meeting, decide to dissolve the limited partnership so that the money can flow directly to the bands, is that something that is contemplated or possible?

Hon. D. Eby: Sure. It's difficult to speak about hypotheticals, and I've tried to just get broader levels so that the member can understand any recommendations that came forward from the limited partnership, whether it be to modify the limited partnership, to revisit the long-term agreement or to address something else — up to and including, one can only assume, dissolving the limited partnership. Obviously, that would be challenging. The long-term agreement is based on the limited partnership, and there would have to be a lot of discussions about it: how are we going to restructure? How are we going to determine priorities? It would, essentially, be a renegotiation or a rediscussion of that.

Fortunately, there would be a body that we would be able to have that discussion with. Hopefully, they wouldn't suggest dissolving it before we'd completed figuring out how to move forward, but that is very hypothetical. The excitement, the enthusiasm around dedicated revenue and an Indigenous-led organization arranging and taking mandate from its members about Indigenous affairs — Indigenous people dealing with Indigenous business for Indigenous people — is, I think, a very positive thing. It has been received that way.

I think it's a very proud thing. I think it's very exciting, and we'll see. The idea that on day one everybody asks for it to be dissolved is, I guess, theoretically possible but mostly just an interesting discussion in the Legislature, probably, in terms of the reality of how people are feeling about things.

J. Rustad: I find it interesting. The minister says that there's all this excitement and near-unanimous support for this, yet in all the First Nations that I went and spoke with, there isn't a single one that supports the structure — not one. As a matter of fact, they have all said the same thing to me, which is, "We have not been consulted; we have not been engaged" — every last one.

I could understand if there were some, and others that said yes. But every last one I spoke to had the same response. Hence, why I'm raising this is because if the response by the nations is such that they would rather have the money come directly to them, that they don't want the structure, don't want the overhead and don't want this piece in place and that they're more than capable of managing their own affairs, why hasn't government heard that?

I don't get it, obviously. Well, then again, when you ask the nations, I guess the reason for why government hasn't heard it is because they haven't actually gone and asked the Chiefs if this is the structure — or presented the options to the Chiefs, who are the elected leaders of their nations and who are, through that, responsible for the rights and title for those nations, in terms of bringing their issues forward.

That's why I posed the hypothetical question. I appreciate that the minister views it from that perspective, but I'm asking whether there's a mechanism for them to be able to do that. If the Chiefs are, as they have said to me, not interested in having that…. They don't want to have the overhead. They don't want to have that. They'd rather have the money just flow directly to the nations. I'm wondering if there's a mechanism for them to do that within the structure that is in place: if they could dissolve the limited partnership and, rather, have the funds flowing directly to the nations.

Now, I get that there's a formula that's in place. Whether it's perfect or not, I think there are all kinds of issues, and I'm pretty sure you couldn't get unanimous consent around it because of the disparities between a wealthy nation versus a nation that has all kinds of challenges. Having said that, it's perfectly fine to be able to start with that formula and make adjustments accordingly as they get input from the nations. That

needs to be done directly with the nations, and this limited partnership, once again, creates this overhead that takes away from money that flows directly to the nations.

[5:25 p.m.]

There was one point, when we were working with the nations and with the First Nations Forestry Council, trying to determine how we could support the forestry council in the work they're doing and this kind of stuff. I went to the nations, and I said: "If we were to take a portion of the agreements that we had to help fund it, would that work?"

Every single nation said: "Forget it. That's our money. We don't want any of that money going outside, because we need that money for what we need within the nation." Even though the structure would be good and build capacity and allow the sorts of things that the minister has talked about, there was absolutely zero interest in doing that, because there's so much need within the nations for the money.

This is the same situation. There is need for this money within the nations, and the minister has recognized that. They're not interested in having part of it carved off or hived off to fund a structure that, quite frankly, could very easily be eliminated. Eliminate the middleman, and have the money flow directly in through the nations.

There are lots of mechanisms, whether it's through All Chiefs or it's through other types of meetings, so that the government could get feedback in terms of potential changes or issues and ways to change that sort of structure. This doesn't need to be put in place. It's a position of bureaucratic structure. Quite frankly, in every First Nation I spoke to, every Chief I spoke to said: "That's not necessary. We are more than capable of managing our own resources."

I talk to many nations that are out doing great work within their nations. They're creating opportunities. They're creating businesses. They're supporting their people, and they're utilizing the limited resources that they have, very effectively. Many nations are more than capable of determining how to approach the best options for their people, and many Chiefs have said that they're tired of managing poverty. They want to start managing prosperity.

I applaud government for taking the money and going through there. It wasn't an approach we took. The approach we took, quite frankly, was on revenue-sharing, on resources and resource activities within the nations. Quite frankly, no other province in the country was doing it when we did it. They all looked at the gaming revenue side. Well, that's fine. But it didn't necessarily lead to the same kind of engagement.

Through the types of agreements that we had, we've seen a tremendous number of First Nations people entering into the mining industry, forestry opportunities, LNG opportunities, other types of resource opportunities and engagement within the nations, even on things like independent power production. All these types of things were

happening. First Nations were able to become partners in companies, to drive and create these opportunities for bidding on projects moving forward. It's quite amazing — the transformational activity that happened over a relatively short period of time, in terms of First Nations engaging the economy.

I can see First Nations wanting to use this money to be able to do things like that, to be able to help to set up companies, structures and partners. There are some limitations within the way the definitions are in there. Government has got its rationale for doing that, and that's fine. Those sorts of things can be changed.

My concern, once again, is that these First Nations would like to have the money go directly to them so that they can be the determining factors of their own future. You look at a book like *Dances With Dependency*. That's what it talks about. Controlling that sort of future gives them control over where they can go, their own destiny. This gets most of the way there, but there's this chunk that ends up having to get hived off to pay for the structure.

Like I say, there isn't a First Nation I've run into that would like to have that — with the exception of maybe the Westbank First Nation, because, of course, they get this nice facility in their place, it's going to be paying tax and it's going to be supporting all their things. They're looking at it and saying: "Hey, why not? Why wouldn't we want this?" But other nations are in this position where, quite frankly, they would rather have the money come directly to them than pay the overhead.

[S. Chandra Herbert in the chair.]

To that extent — in the spirit of trying to actually improve the bill from what we heard from First Nations — we presented to government the alternative, which is the amendment which I'm about to move. This alternative was designed to avoid the middleman, to have this come in.

We're not trying to do this from a gotcha type of perspective, trying to shame government or anything like that. This is a general step to say: this is how we think this bill could be improved. This is what we've heard from the First Nation Chiefs, the First Nation leaders that we have spoken with, and we've spoken with a number of them from all around the province. This reflects the feedback that we've heard from the Chiefs.

[5:30 p.m.]

Now, government has gone through its organizations and the various leadership council groups. Like I say, that doesn't give them the direct feedback from the Chiefs.

To the point that the member for Saanich North and the Islands is making: yes, they heard about this for the last year. They're excited about the money flowing in, but they were never told the details. They were never told the structure that would be in

place and the costs that would be in place. Even the target of less 1 percent…. The minister also says that this is likely conservative for managing this type of resource.

I can tell you that with a nation, whether it's the Cheslatta Carrier Nation or whether it's the Takla Lake…. For these nations, every dollar makes a difference. Every dollar makes a difference. You think: "Well, what's 1 percent or 2 percent or 5 percent?" That's a big amount of money, and that makes a big difference. Every dollar makes a big difference.

To that end, I think our goal, which we should be trying to do, is to maximize the dollars that can flow directly to the nation so that they can build up their own infrastructure as opposed to setting up these quasi government structures or types of things that ultimately eat resources and don't get to benefit the people on the ground.

The book *Dances With Dependency* talked directly about that. It talked directly about approaches that ended up hiving off money and not getting the full results to the people as opposed to taking an approach that is focused directly on the benefits that can flow into the nation.

With that, I'd like to move an amendment, which is on the order paper, which is standing in my name, to section 2 of….

The Chair: Thank you, Member. We are still on section 1. We'll have to deal with section 1 prior to the amendment to section 2.

Are there any further questions on section 1?

Hon. D. Eby: I just want to respond to the member's comments. The member says that when he goes out there, he doesn't find any support. Well, let's just have a look at what he's saying about this.

Several times today, in this place, he said that the leadership council is the one that's administering that. It's totally incorrect. He also said that in second reading debate. He said: "So I'm actually very curious to see whether the First Nations have signed on and agree that the leadership council should be the ones that are responsible for yeaing or naying a project that comes forward." Totally false. So if the member is out there saying, "Do you think the leadership council should be the ones yeaing or naying a project?" people might say: "No, I don't think so. I think we probably need a different structure." Of course. Well, that's not actually what government has set up.

What else is the member out there saying? "It seems to be more about paying off friends than it is about actually getting the resources to the bands." "Well, jeez, I'm not in favour of that. I don't support that. Thanks for bringing this to my attention, MLA. Very interesting." Also not true. The administration of this will have to be paid for one way or another. The member is going out and saying: "Would you like to receive more

resources?" I can understand that people would say yes. "Would you rather have the administration costs go to having government make decisions about this, or would you rather have administration costs going to First Nations making decisions about this?"

The member has set up, in his second reading debate and in his questions today, a totally nonexistent structure. He regularly has, in his speech just now, compared zero administration costs, no cost of administration — there is no such option that has zero administration costs — with the administration costs of the limited partnership. Yeah, zero administration costs are fantastic, but they don't exist. So if government is administering, it's going to cost money. If the limited partnership is administering, it's going to cost money.

I've been advised. The member and I were both looking at $1 million and saying: "Gosh, that doesn't seem to be…." That's lean and mean, for sure, in terms of costs. It's apparently in line with the Ontario experience of the actual cost of administering the partnership in that province.

[5:35 p.m.]

The member may well find opposition to a structure that doesn't exist. He may well find support for the idea of zero administration costs, which is not something that happens in the real world. There are administration costs. But I think that when we present the actual structure, when the discussions are about the actual structure, and when we have confidence in the political structures that First Nations have set up to engage with nations across the province, there will be support for this approach, and there is support for this approach.

I found his speech disappointing. I found his speech, if this has been his approach across the province, frankly irresponsible. He has an obligation, as a member of this place, to be accurate about what government is actually doing. It's fine to go out and say: "Do you agree with a limited partnership, where everyone gets an equal vote and you make decisions about criteria and so on, and you ratify the master agreement? Do you agree with that, or do you think that that would be better done inside government?" That is a fair question to ask people

But to say: "Do you actually think that the leadership council should be the ones that are responsible for yeaing or naying a project that comes forward?" Totally irresponsible. "Do you agree with paying off friends instead of actually getting resources to bands?" Totally irresponsible.

This is a really important initiative. This is an initiative that will…. It requires the support of British Columbians to understand the importance of this on a couple of levels — support for First Nations, but also support for First Nations to make determinations about their own futures and to administer their own processes.

I understand that the member is in opposition. This is important, to raise these issues in opposition. I spent four years there. It's an important role. But this, and his speech just now, is beyond the pale.

J. Rustad: Quite frankly, I found the minister's response, now, offensive as well. I can tell you this. What I'm asking here is quite simple. Did the minister go to the First Nations and say: "By the way, we're going to download the administration cost to you, so we're not giving you 7 percent. We're giving you somewhat less because we're downloading those costs"? I can tell you that the minister didn't do that.

The minister has set up a structure where the leadership council are managing partners. They're managing partners of the…. So what is the fee, and what is the cost going to the leadership council, as being managing partners of a limited partnership? This is an unknown. All of these things are unknown in terms of the structure.

Interjection.

J. Rustad: Oh, then sorry. I'll sit down before I carry on, and if you could answer that, that would be great.

The Chair: Just a reminder to all, section 1.

Hon. D. Eby: I've said it five times if I've said it once. The leadership council is not the managing partner. The limited partnership has, as its membership, all participating First Nations, who elect their board of directors. Why is the member insisting on something that is totally false? He is attempting to sow division. He is attempting to make controversial something which is not controversial, which is the sharing of revenues with First Nations — long overdue, ours being the only province not sharing these revenues.

For 16 years, on the other side, they had the opportunity to do this. They didn't do it. Now they're going to stand up and pretend something is the case when it's not in an attempt to sow division about a really important initiative about First Nations. I stand by my comment. It's irresponsible at best.

J. Rustad: I realize that this conversation is well beyond section 1, but it has been going on for a while, so it needs to continue to its conclusion with this.

I look forward to going back and looking at the second reading comments and the structure itself. But if I'm wrong…. I'm pretty sure the minister said that the leadership council were managing partners, in terms of the structure that was set up on the limited partnership. That's why they're involved in it. The limited partnership, then, are the nations that come in and are part of this partnership. That's a structure. They have a role. They're playing a role as part of this structure. If I'm wrong with that, then I

find that interesting, but that is what was said in the comments around the structure of this limited partnership.

It still doesn't take away from the fact. One way or the other, it still doesn't take away from the fact. The fact is that there is a download, through here, of the cost structure to the First Nations, instead of having the money just flow. How much cost does it take to just take the money, the 7 percent money, apply the formula and for government to write a cheque? That's the most efficient form of cost possible. That's it. That's all that's involved.

[5:40 p.m.]

It's not any other complex or structure. It's not First Nations coming down and having meetings. It's not the costs associated with the board — accountants and all the rest of this piece that are part of it. Hence the discussion around this.

With that, let's move on to section 2. We can carry on with this debate, and I'll move the amendment.

Section 1 approved.

On section 2.

J. Rustad: I'd like to move the amendment that stands in my name to section 2. It's on the order paper.

[**Section 2** ***by deleting the text shown as struck out and adding the underlined text as shown:***

Definitions for this Division

14.1 (1) In this Division:

"actual net income of the lottery corporation", in relation to a fiscal year, means the net income of the lottery corporation as reported in the audited financial statement for the fiscal year submitted by the lottery corporation under section 11

(a) less the amount, as reported in the audited financial statement in which the net income of the lottery corporation is reported, that the lottery corporation makes provision for in that fiscal year for any payments it is obliged to make under agreements entered into in respect of lotteries under section 7 (1) (c), and

(b) as otherwise adjusted in accordance with <u>a</u> long-term agreement;

"annual revenue sharing entitlement" has the same meaning as in the interim agreement;

"Designated First Nations" means all British Columbia Indian Bands, Treaty First Nations, including Nisga'a Nation and Self Governing First Nations Established by Statute, as designated by regulation of the Lieutenant Governor in Council.

"estimated net income of the lottery corporation", in relation to a fiscal year, means the estimated net income of the lottery corporation for the fiscal year as presented to the Legislative Assembly in the main estimates under the *Budget Transparency and Accountability Act*;

"interim agreement" means the Interim BC First Nations Gaming Revenue Sharing and Financial Agreement dated August 2, 2019, as amended from time to time, between the government, the partnership, the First Nations Summit, the British Columbia Assembly of First Nations and the Union of British Columbia Indian Chiefs;

"long-term agreement" means an agreement, as amended from time to time, respecting the sharing of annual provincial gaming revenue between the government and a Designated First Nation, but does not include the interim agreement;

"partnership" means the BC First Nations Gaming Revenue Sharing Limited Partnership or its successors or assigns.

(2) The minister must publish in the Gazette the interim agreement, a long-term agreement and any agreement amending the interim agreement or a long-term agreement.

Designated First Nations entitlement to lottery corporation revenue

14.3 (1) For each fiscal year beginning on or after April 1, 2021, the lottery corporation must pay to Designated First Nations in accordance with a distribution formula to be set by regulation of the Lieutenant Governor in Council, by paying to the government on behalf of Designated First Nations, 7% of the actual net income of the lottery corporation for the fiscal year.

(2) The following payments for each fiscal year discharge the obligation of the lottery corporation to make payments to Designated First Nations under subsection (1) in that fiscal year:

(a) the payments under sections 13 and 14 into the consolidated revenue fund;

(b) the minister's payments under section 14.4.

(3) For certainty, the government is not, under this Division, an agent of the partnership or a Designated First Nation.

Annual payments to Designated First Nations

14.4 (1) On or before April 30 of each fiscal year beginning on or after April 1, 2021, the minister must pay from the consolidated revenue fund to Designated First Nations 7% of the amount that is equal to the estimated net income of the lottery corporation for the fiscal year less any adjustment under subsection (4) for the second preceding fiscal year.

(2) For each fiscal year beginning on or after April 1, 2021, if the actual net income of the lottery corporation for the fiscal year exceeds the estimated net income of the lottery corporation for that fiscal year, the minister must pay from the consolidated revenue fund to Designated First Nations the amount that is equal to 7% of the difference between the actual net income of the lottery corporation for that fiscal year and the estimated net income of the lottery corporation for that fiscal year.

(3) A payment under subsection (2) for a fiscal year must be made on or before the earlier of the following dates:

(a) the date that is 60 days after the public accounts for the fiscal year are made public under the *Budget Transparency and Accountability Act*;

(b) the date specified in a long-term agreement.

(4) For each fiscal year beginning on or after April 1, 2023, if the actual net income of the lottery corporation for the second preceding fiscal year is less than the estimated net income of the lottery corporation for the second preceding fiscal year, the amount payable under subsection (1) for the fiscal year must be reduced by the amount that is equal to 7% of the difference between the actual net income of the lottery corporation for the second preceding fiscal year and the estimated net income of the lottery corporation for the second preceding fiscal year.

(5) At a Designated First Nation's written request in relation to a payment for a fiscal year, the minister must pay from the consolidated revenue fund directly to a Designated First Nation that Designated First Nation's share determined in accordance with a long-term agreement, in which case the payment to

Designated First Nations under subsection (1) or (2) must be reduced by an amount equal to the minister's payment to that Designated First Nation.

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On the amendment.

J. Rustad: With that amendment, the structure that is being proposed as part of this amendment is meant to be an assistance or a way to be able to help government to be able to have the money flow directly to the First Nations as opposed to having it go into this limited partnership and there being a cost structure associated with that. The intent was to try to eliminate the middleman and have more of this revenue be able to flow directly to the nations. It's the feedback that we heard from the Chiefs as part of this thing.

What I also find very offensive is that the government did not take time to actually talk to the Chiefs about this structure. That, quite frankly, is wrong. That's not reconciliation. That's not government to government. It's very unfortunate government took that approach and now, quite frankly, is offended that someone would suggest that you should go out and actually talk to the Chiefs about what that structure should be.

With that, I move the amendment. I'm sure there are a few others on the opposition side of the House that would like to have a few words associated with this.

The Chair: Thank you, Members. The amendment is now on the floor.

Hon. D. Eby: This amendment is an extension of the member's ongoing thesis of a system that doesn't exist — a system where there are no administration costs and where there is self-determination yet government administers everything.

Our government has made a really clear commitment around the priority and the importance of First Nations determining things for themselves. I understand that the member has a different perspective on this, although it's hard to tell exactly what it is because he's all over the place. He clearly has a different perspective because he thinks that government is best placed to administer money for First Nations.

It's not simply cutting a cheque. There's an auditing process. There's a process where projects are submitted and accepted. That would all be done by government under his proposal. That is not something that we support. We support First Nations making their own determinations about projects, about the audited reports, about administration costs, about oversight. That is what we support. There is a philosophical difference here between our sides, clearly.

Beyond that, the amendment is clearly informed by a total misunderstanding of the structure — how it's set up, how it will work — despite my best efforts to educate the member and assist him in understanding the true structure and that the long-term agreement will be ratified by all the participating nations. All the Chiefs the member talks about will have the right to sit around the table and ratify the long-term agreement.

Despite my best efforts to help him understand, he does not want to understand. The reason he does not want to understand is because he believes that this is not supporting First Nations in self-determination. He believes that this is "about paying off friends." Well, that is one perspective, but it is incorrect. It is wrong on so many levels. It is as wrong as his misunderstanding about the structure, as his misunderstanding about the importance of self-determination and about the government's efforts in relation to UNDRIP.

We may not come to agreement on this. But this is entirely the basis of his proposed amendment. I will not support it. I urge my colleagues not to support it. I urge his colleagues not to support it, because this is a breakthrough agreement with First Nations in our province, and I hope they will stand with First Nations.

E. Ross: It's my pleasure to speak to the amendment put together by my colleague from Nechako Lakes.

I do understand First Nations issues in relation to these types of agreements. For 14 years, I actually battled with the previous government, including my colleague who just put the amendment together. We did it on exactly what we're debating today. We did it with the new relationship trust. We didn't agree with the formula. We didn't agree with the structure. We did it with the coast opportunity fund that was put together by ENGOs and the provincial funding, even though the federal government took their funding away. We argued on that funding formula, on the structure. It's the same thing we're talking about here today.

[5:45 p.m.]

You know what? It's been a really tough learning curve over the last 14 years. I'm not just talking about government. I'm talking about First Nations too. First Nations didn't understand the duty of government or the powers of government. In return, government didn't understand First Nations issues. It took a long time for us to find that middle ground, and we've made a lot of mistakes. We didn't make enemies, but we made a lot of mistakes.

In fact, in 2009, my colleague from Nechako Lakes was talking about the mistake that the previous government made by trying to use the leadership council as a way to get an agreement signed with all First Nations. It was actually my chief councillor, Dolores Pollard, who got recently elected, that led the fight to defeat it. It took us two days. It took us two days to defeat it. It came down to a vote where the First Nations

saw that they weren't being consulted directly and that there was going to be some type of regional body set up to represent us all.

Now, that's a principle that I can remember going back 15 years. Nobody represents my community except my chief and council. If First Nations have changed their approach on that, I haven't seen it.

I remember beating up on my colleague. I remember beating up on the Premier. I remember condemning government for taking this approach. But then, after that, we walked away and said: "Okay, what's the alternative?" That came down to a government-to-government relationship, and that's what formed the forest and range agreement. Now we're right back to it again.

The comments around this, apart from the politics of it, are basically on representation and how to get this money to First Nations that really need it, in my opinion — really need it. Fifteen years ago, my band really needed this kind of revenue. But two things I didn't like, in terms of these funding agreements, were the pressure points. You've got to sign up for something.

Now, every band is going to sign up for money. No band is going to turn down money if they need it. If you're in a deficit of $3 million, and Canada is coming in to shut you down, you're desperately going to need that money. In some cases, it's not just for projects. It's to make your audit look good so that you don't fall below that negative eight rule where Canada has to come in and take over all your bill paying for you. In some cases, you're just trying to prop up your audit and make it look better.

I don't expect anybody in this House to understand the true nature of what chiefs and councils go through. Even First Nations members don't understand what chiefs and councils go through. To be honest, I've heard this before. First Nations have been lobbying for this for the last 20, 30 years. I didn't know that. I was on council for 15 years. I was chief councillor for four. I had never heard this before.

I'm not saying it wasn't done. I'm not saying it wasn't lobbied for. But First Nations are one of the unique governments in all of Canada. On any given day, chiefs and councils are expected to address everything under the sun related to First Nations — everything. They've got to address health, education, welfare, water lines, sewer lines. They've got to address the pothole, fix the soccer field. They've got to come up with sports facilities. Everything you can think of that the rest of society has different organizations to look after, chiefs and councils across B.C. and Canada are responsible for — absolutely everything. On top of that, you add the protocol aspect. You add the treaty negotiations.

I can understand that maybe First Nations were lobbying for this for the past 30 years or so, but I can also understand why First Nations weren't really up to speed on all of these initiatives. Because even after 15 years, there are a lot of First Nations

issues I didn't understand and I just didn't have the time to understand, especially when you're just trying to stay afloat, and especially if you're just trying to resolve other issues that are probably more important than maybe $200,000 or $300,000 a year through a prescribed structure and process.

[5:50 p.m.]

You've got to think about these chief councillors who have to think about: why am I not doing anything about 60 percent unemployment? Why am I not doing something about a training initiative above and beyond the Indian Act? This is what chief and councillors go through every day.

I also want to talk about the idea that this is going to be transformative. I've heard that: "This is going to be transformative." Well, I beg to differ. We've signed funding agreements with Canada. We've signed funding agreements with B.C. We've signed funding agreements with ENGOs. I can tell you that those agreements were much larger than the one we're signing today, that the First Nations have signed or the leadership council is going to sign or whatever that PTO is — much larger funding agreements.

You know what? When we got the money, it wasn't transformative change because that money can get sucked up in a week. It's not transformative.

The first payment under the forest and range agreement that we signed with the B.C. government over ten years ago was $760,000. We were doing cartwheels, but it didn't transform my community. It didn't transform the members, so put this into a little bit of perspective. Take it from a First Nations' point of view, in terms of what they see. And if you can, take away some of the pressure points.

A three-year time limit, and the money goes I don't know where. But they're not eligible for the money after three years. I don't know where the money goes. Does it stay in that trust account? Does it go back to government? Does it stay with the leadership council? I have no idea. That's a pressure point. Sign on with three years or you lose the money — apart from the idea that they're going to take any kind of money with no strings attached anyway.

I heard another point: self-determination. I've analyzed that painstakingly over the last 15 years, trying to figure out what does that mean in the context of the Indian Act, in the context of treaty negotiations. The best solution I could find was self-determination is most achievable through engaging in the economy, especially major projects.

When we're talking about the statement that was made that First Nations can decide for themselves how to spend the money, then why the definition of permitted uses? Why is there a list, six categories or so, saying what they're permitted to spend

this money on? Why? If First Nations have the ability and they're fully competent to determine where the money should be sent, then why the categories? Why the reporting? That's Indian Act. First Nations report, report, report continuously, depending on what kind of funding agreement they're in.

If they're in a comprehensive funding agreement, they report monthly. If you're lucky enough to be in a bulk funding agreement like my band is, the reports are less. If you are in a self-governing agreement, the reporting is less onerous. But this is reporting.

I will hand it to the government in one case here. I did see one of the addendums, and it was a one-page reporting sheet. That was pretty cool. I like that. I could fill that out in a day. But I'm not the one who is going to fill that out. It's the limited partnership that's going to fill that out. They're going to send it to the government. That's pretty simple reporting, if that's the only thing that the government wants. That's actually pretty streamlined. But underneath that, there has got to be an auditing requirement for these funds. That's reporting.

I just want to understand, in terms of auditing: what are we talking about in terms of that audited statement? Is it something specific for this chunk of money? Or is it a section within the Indian Act audit itself for the band? I didn't see that. I didn't see that in this agreement.

[5:55 p.m.]

Another reason why I support the amendment put together by my colleague from Nechako Lakes is the formula. I've seen a lot of formulas over the last 15 years when we're talking about First Nations funding. I've raised this before. It's not my idea, by the way. It's not my idea. I didn't come up with this.

In terms of funding, my band could see that we went from a have-not band to a have. We could see it in our future. We could see the projected payments coming out from ministry and government. We could see it adding up. That is what's provided the transformative change in my community. Along the way, we realized that a lot of First Nations, especially small communities, were not in line for the same benefits my band was.

Now, I'm considered a medium band, 1,800 members; 800 to 900 live on the reserve, and the rest of them are scattered through B.C. When we were negotiating — this is something else we beat the government up on — the forest and range agreements, we could see the per-capita formula that was developed in terms of volume as well as revenue-sharing. Right away we could see — because we collectively negotiated an agreement — what we called the toolbox. Then we took that toolbox back to our respective communities, and we detailed it out, based on our specific needs as a community.

We could see that the smaller band within our organizations was getting steamrolled just because they were 300 to a band. That per-capita rate went to them, in terms of revenue and volume, and they couldn't make a go of it. So the bigger First Nations, to their credit, said: "We will not sign an agreement until that smaller band is treated fairly. You've got to stop treating them like Indian Affairs treats them."

This per-capita thing is outdated. It's 20 years in the past. That's how Indian Affairs operates. That's how they operate their ec dev fund. So a small band of 300 people will probably get $2,000, and that's supposed to be their commitment to an economic development future. A band like mine gets $97,000. It's a per-capita formula. It's not based on need.

I truly believe that we should be at the point now that we've progressed to a point where we can really talk about the First Nations that are well on the way to a nice, bright future. We can project it. We already hear it in the news. Some bands project to be out of the Indian Act within five years. That's a have band.

Some of these bands are just getting started. A per-capita formula for — what? — $200,000 or $300,000? Some communities that are small are within municipalities or neighbouring to municipalities. They're not categorized as needy because they're close to services. That small band is still under the Indian Act, and they don't have any resource development revenues. The formula's not going to work for them

There are bigger bands on the west coast of B.C. that are huge — 2,000 members or 2,500 members — but do not have infrastructure. It was just recently that the previous Liberal government actually paved the roads out of one of those remote communities. Big band, but they have a lot of need.

The neighbouring band, just as big, actually got the first investment from the B.C. government in terms of housing. It was the first time the B.C. government had gone onto reserve and provided housing on reserve. That was through the previous Liberal government. That's a big band that has a need. They're remote. You can only get to them by boat.

Some of these big bands, in particular, aren't on the B.C. Ferry route. They've got to be creative. They've got to create their own ferry service.

I really do appreciate the intent of this, because I think it's building…

The Chair: Thank you, Member. That's 15 minutes.

E. Ross: …on what the government has done for the last few years.

I conclude my remarks, and I look forward to speaking to the bill later on.

Hon. D. Eby: I'll be very brief so that the member for Chilliwack-Kent can speak.

The member asked some specific questions. Why are there permitted uses outlined in the long-term agreement — use of the money? Those definitions were set by the nations themselves.

[6:00 p.m.]

Where does the money go if it isn't claimed after three years, and it rolls over? That money goes back into the pot. It's redistributed out to the nations that are participating.

Those were the questions that I caught specifically. I'll leave the rest of the member's comments in relation to the amendment as being responded to by my earlier comments to the member from Nechako.

L. Throness: I want to speak to the amendment today as well. I want to make a number of remarks, and then I have a few questions for the minister.

Just for the benefit of my constituents, I'm discussing Bill 36, the Gaming Control Amendment Act. It's discussing the sharing of gaming revenue with First Nations in B.C. It's a short bill, but it's really very comprehensive. And it's very significant, because there are about 200 First Nations in B.C.

The bill will create a legal partnership called the B.C. First Nations Gaming Revenue Sharing Limited Partnership, involving whatever First Nations choose to sign on. They will share 7 percent of the annual net income of the Lottery Corp. for each fiscal year, which amounts to about $100 million a year, or approximately $500,000 per community per year, if it was divided equally. Over a period of 25 years, that is $2.5 billion, which is an enormous amount of money. The House needs to give careful consideration to this significant commitment.

Last week…. I want to address something that the Minister of Social Development and Poverty Reduction said in his speech. He insinuated, on a number of occasions….

The Chair: Member, is this on the amendment? Just a question, Member. Is this on the amendment or the bill?

L. Throness: I'm developing the context for my argument.

The Chair: Okay, thank you. Just clarifying if it was on the amendment.

L. Throness: Absolutely.

Last week the Minister of Social Development and Poverty Reduction insinuated that members of this House would show some kind of prejudice if they spoke against this bill or voted against it. I think that's an awful insult to members on this side. It is our job to do that. I think that there is no prejudice in this House. I think that we are united in our desire to ameliorate the conditions of First Nations people, and I think we should think better of each other. I'm saying what I'm saying today out of care and concern for First Nations.

A decade ago I had the privilege of being the chief of staff to the Minister of Aboriginal Affairs for 18 months. I also worked for the Minister of Health, Leona Aglukkaq, who is from Nunavut. One of my files there was the First Nations and Inuit health program, which is several billion dollars, and that afforded me a bird's-eye view. So I want to relate a few experiences that I had there as I develop the context for my remarks about the amendments.

I think it's a historically wonderful thing that all of our governments are united in trying to better the position of Indigenous peoples in B.C. In other times and periods in history, First Nations people have been ignored, trodden down. We're doing the opposite. I'm fully on board with assisting First Nations people, and that's why I voted, in principle, for the idea of sharing revenue with them.

They are in a difficult cultural spot. They're in a unique situation. Just 100 or 120 years ago they were a nomadic people that were unacquainted with western industrial civilization, and that introduction of that civilization brought enormous pain to First Nations people in the form of residential schools, the reserve system, disease, war and all sorts of other things. There is a gap, and we're seeking to close that gap.

To illustrate this, I remember a visit that the federal Minister of Aboriginal Affairs received from three Indigenous men from the Northwest Territories. One of them said nothing because he couldn't speak any English. Another was silent. The third spoke in very halting and hesitant terms about the issues in his community. But they were accompanied by a non-Indigenous lawyer in a three-piece suit from Vancouver. He did most of the talking, and I presume he was very well paid for his efforts.

As I sat in that meeting, I thought that if I were to go their community in the Northwest Territories, I would survive for just a few days. Just as they felt uncomfortable in Ottawa, I would feel uncomfortable in their community. So we need to close that gap.

One more short experience I'll relate. When I worked for the national Minister of Health, we toured a house in Edmonton called the Larga house. The founder of that house, Bill Davidson, told us that he created that place for Inuit people who come down for medical treatment to southern Canada, as they call it, because of a story that he heard.

There was an elderly man who came down from the north for medical treatment. He was flown down. A taxi cab deposited him at the hotel, and the manager gave him a key to his room and said: “The elevator is over there.” He went to the elevator. A while later they found him in the elevator curled up, sleeping on the floor, because he thought that was his room.

[6:05 p.m.]

It was then that Mr. Davidson decided that Inuit people need a home away from home, and they need a sense of belonging when they come down for medical treatment. So this is just another illustration of the gap that we are trying to close in the legislation before us. But this bill isn’t perfect, and that’s why we’re seeking to amend it. And that is our job.

As an aside, I don’t think, over time, this will provide a net benefit to First Nations, because the bill intrudes into federal jurisdiction. Ten years ago, at last count — I’m sure it’s much more now — $10.5 billion was being given to First Nations across Canada by the federal government. This is already a very significant commitment. If we intrude on this federal jurisdiction, the federal bureaucracy will quietly and happily withdraw from that jurisdiction and say: “Thank you very much.”

I say that because I’ve worked with several federal bureaucracies on a number of occasions. They’re good. They’re sincere people. They’re very competent. But there are 100 knocks on the door every day from all across Canada for more funding — legitimate requests, needed requests. Federal public servants and the minister are under constant pressure to respond.

Since funding pressure will be relieved in B.C., thanks to this new guaranteed stream of income, bureaucrats will simply feel more free to respond to other areas of Canada, other expressions of need. Nobody in the federal government will announce this formally, okay. But if there is a guaranteed funding stream from the province, the amounts that B.C. receives from the federal government will automatically decline. New programs that could have been announced will not begin because the federal government will quietly withdraw from the field. First Nations in B.C., I believe, will not be better off because of this bill.

They would be better off if funding were provided on a case-by-case basis on the basis of need, which would keep the federal government guessing. They wouldn’t be able to plan ahead for partial withdrawal from B.C., and there would be more funding in total for First Nations.

Now let me get to the amendment. I quote from the minister’s website here. “Funding will be distributed to communities based on the following formula, developed by the First Nations Gaming Commission in consultation with First Nations through the

general assemblies," including the First Nations Summit, the B.C. Assembly of First Nations and the Union of B.C. Indian Chiefs.

The government did not consult directly with First Nations. They did not consult directly, for instance, with the poorest First Nations. They consulted through the managers: the First Nations Summit, the B.C. Assembly of First Nations and the Union of B.C. Indian Chiefs. They had a large say on how the money will be distributed. That money, to my mind, could go directly to the person on reserve, but it won't, and I think that's a problem.

I would point out that even the Attorney General noted today that he doesn't know how much the administration costs will be and he feels skeptical that it could be $1 million. I would point out, for instance, that the CEO of the Fraser Health Authority told us, with pride, that administration costs were only 4 or 5 percent. What is 4 or 5 percent of $2.5 billion? It would be more like $100 million over 25 years. That's a lot of money, and I think that's a problem.

As chief of staff to the minister in Ottawa, I saw a very sad and unfortunate pattern over and over in the funding of First Nations. Every program was sort of like a funnel. The money would be poured into the top of the funnel. There would be points as it drifted downward where it would be syphoned off here and there. Consultants and lawyers in negotiating treaties — there were millions taken off. There are all sorts of First Nations partners who take a cut. Of course, there will be administration costs that we've already spoken about. That is a problem.

When you accumulate all these factors, far too often, very little in the end makes it down to the person most in need: the average person on reserve, usually in isolated areas of B.C. That is hugely unfortunate. I would point out that the funding stream — which is 50 percent to everyone, 40 percent based on population…. Ten percent extra only will go to the remote areas of B.C., which is the poorest of the poor.

We have the Minister of Poverty Reduction, who has a poverty reduction plan. Yet it is the poorest people, probably in the north and the far reaches of B.C., who will get the least benefit from this. The rich First Nations will get the most, and I think that's sad.

[6:10 p.m.]

I think this bill should eliminate the middleman and give the funding directly to First Nations, and let them take care of administration costs. There is a better chance because of that that it would benefit actual residents on the ground.

I think this bill shortchanges remote communities in a major way. Housing on First Nations is hugely expensive. To build a school might cost $20 million, $30 million

or $40 million, more than it would cost in urban areas. But quite wealthy First Nations in B.C., like Westbank perhaps, or Tsawwassen….

Westbank is the richest First Nation in Canada. Its land is worth $2 billion. It has 485 businesses on it, and it will be getting a guaranteed benefit every year of at least $250,000, while there are remote First Nations in B.C. that need much more than $500,000 a year, but they won't get it because that money will go to First Nations that do not need it.

All government programs operate on the assumption of need. If I don't need health care, I don't get health care. If I don't need welfare, I will get none. I think the principle of need should be extended to First Nations people.

I also wonder about fairness to those who live off reserve, and I heard this as chief of staff as well. Across Canada, roughly half of Indigenous people live in urban areas off reserve, and half live on. I've heard complaints from time to time that Indigenous band members who don't live on reserve don't get any benefits from the band. Now we're introducing a stream of money that will go to the band on reserve, probably. We have no guarantee that members of the community will benefit in a roughly equal way. I think that's a problem.

Wherever I can, I encourage Indigenous people, particularly young people, to engage, to keep their identity, to be proud of their history, of who they are and their culture, but also to get an education and a job and to enjoy all the benefits that Canada has to offer. I think this is important, because isolation breeds all sorts of social ills, and we should not be encouraging isolation. It's my hope that First Nations will use part of the annual funding in these gaming funds to help their young people to engage with broader society.

I will close by saying that I very much hope that the government will agree to cut out the middleman, to stop other hands from getting in the way of that money and that it will go to the most needy people in the most needy areas of B.C.

The question that I have is…. About half of First Nations, as I said, do not live on the reserve. I'm wondering if there were any requirements or any consideration placed on First Nations to provide some approximately equal benefit to all band members. And I have one more question after that.

The Chair: Thank you, Member. Is the question to the mover of the amendment? We are on the amendment.

Interjection.

The Chair: I don't see the member…. I guess I can't say that.

L. Throness: Can I ask that of the Attorney?

The Chair: He is not the mover of the amendment, so it wouldn't be appropriate.

L. Throness: Then I have no further questions, Chair.

The Chair: Thank you.

Seeing no further questions, the member for Saanich North and the Islands on the amendment.

A. Olsen: I don't have any questions for the mover, but I do want to talk to the amendment.

It's been very difficult, not because I lack the ability to follow basic logic or conversation, but it's been very difficult to actually follow what's been going on from the members on the other side of this House. The inconsistencies of the arguments, the inconsistencies of the comments that have been put forward are shocking.

On one hand, there has been this long narrative that started back in second reading, criticizing the government for not engaging and consulting with First Nations, Indigenous communities. And now we're standing here negotiating our way through an amendment which was written in crayons on the back of a napkin.

Again, to the members of the official opposition, we'd be very happy to take a look at amendments that had taken advantage of the drafters which the government has given you, because it's important that legislative drafters are engaged in a process in which we're creating laws for the province. I certainly hope that when the members on the other side of the House were in government, they used the legislative drafters. There is still that opportunity.

[6:15 p.m.]

As we're having this discussion, this debate about an amendment, after days' worth of criticism of the government for apparently not engaging and consulting First Nations, we're actually amending the bill with no understanding and no knowledge and no idea of what Indigenous communities say about the amendment.

Interjections.

A. Olsen: Go ahead.

It's absurd. It's absolutely absurd. The fact of the matter is that there has been so much misdirection spoken in these chambers. The Attorney General has risen several times to point out that actually, the statements that are being made are not even true.

They're not even paying attention to the answers and the responses that have been given and that have been informed by the staff that have helped to draft this. The fact….

Interjection.

A. Olsen: The ongoing statements around the First Nations Leadership Council.

It is clear that the members on the other side of this House have got something against the First Nations Leadership Council. That's fine; that's fine. But that's not even the body that is going to be administering these funds. In fact, what is being established is an Indigenous-led body that is going to administer these funds on behalf of Indigenous people.

If the members on the other side of this House have a problem with that…. Frankly, as someone who grew up on a reserve, I'm not surprised. For the past decade, I've been living under that kind of approach to Indigenous relations. It's not surprising that the former Minister of Indigenous Relations is the one that moved this, because….

Anyway, what we've been listening to here are complaints — ongoing complaints about a lack of consultation. Then the member who stands up and moves this bill says: "I've talked to a dozen." There are 170-something First Nations communities that have signed on to this process. There are only maybe 20 more to go that haven't signed on yet and that are in the process. So what about that? There are 170 First Nations communities that have signed on to this process, and here we are.

Interjection.

A. Olsen: Not knowing, right. They have signed on to this process. This has been a long-discussed process. We will not be supporting this amendment, because it's just crazy.

S. Gibson: Well, you know, there's never a right time to do the wrong thing and never a wrong time to do the right thing. I value the points made by the member for Skeena and the member for Nechako Lakes. Their remarks were convincing to me. They have persuaded me that if we don't support this amendment, we're going to go in the wrong direction. I'm shocked to hear dissenters about this, and I'm surprised, frankly, that the minister wouldn't adopt this and say: "You know what? That makes sense."

The consultation, we have been advised, was minimal. You heard the member for Skeena talking about how, really, what is being proposed here, and the lack of consultation, in many ways is condescending. I applaud the government for moving in this direction, but they're doing it in such a way that really compromises the funding that will actually accrue to these First Nations communities. You heard, earlier, some of the

remarks from our colleagues here, talking about the value of consultation and why the more funds go directly to the bands, the better it is.

I think, too, that the whole paradigm is based on an assumption that things are going to stay the same, largely. But we also see, from the research that has been done, that the communities change. Their needs change. Larger communities that look self-sufficient need more help. So the funding formula is really dubious in many ways, and it almost looks like it has been rushed into execution.

[6:20 p.m.]

Another point that I think should be made is the lack of understanding of the nature of First Nations and how they populate the province and how First Nations communities, in many ways, are autonomous, but they also depend on contiguous local governments for some of their services. That's the way it is in my community. If the formula is based on per capita, it seems to me that a lot of the communities that really, genuinely need assistance and will benefit from this plan won't receive the assistance that they might need.

I want to ask, too, particularly, a question, if I may, of the minister, through you, Hon. Chair.

The Chair: Member, during amendments you can ask questions of your colleague who moved the amendment.

S. Gibson: Okay. We'll leave that for another time. Thank you.

I would like to comment on the evaluation process of the plan. There's a two-year interim agreement. How will the evaluation be done in such a way that the First Nations are fully engaged in that process? How will it be done in a way that allows them to have input into the evaluation to determine the success of the program? Presumably there's some criteria, and we haven't heard about that — ways that the First Nations can be engaged so that the evaluation will benefit those communities rather than kind of a one-size-fits-all.

Clearly, the amendment is a very good one. I would encourage those members who have it on the other side to see the benefit to it. It really addresses the concerns about adequately distributing the funds in such a way that maximizes the benefit to the First Nations communities. If we do it the right way, we'll all be united in this House.

This amendment, I believe, is thoughtful and really speaks to some of the issues that have been discussed here in this place today. So I would encourage all members to support it. I'm pleased to do so today.

The Chair: Recognizing the member for Kelowna–Lake Country on the amendment, to be clear.

N. Letnick: Thank you to the minister and staff for being here today. I will be speaking on the amendment, in favour of the amendment.

In particular, after the legislation was introduced, and in contemplation of the amendment, I had a conversation with Chief Byron Louis of the Okanagan Indian Band in my particular part of the province, the Kelowna–Lake Country riding. The riding starts roughly at Highway 33 in Kelowna and goes up to Oyama. About two-thirds of the riding is in Kelowna, and one-third is in Lake Country, population-wise. Really, the only predominant band that I have to work with — and I've been representing the people there for the last ten-plus years — is the Okanagan Indian Band. Westbank First Nation does have, of course, an interest in the area, but for the most part, my band is the Okanagan Indian Band.

I asked Chief Byron Louis about this particular piece of legislation and the possibility of this amendment. He encouraged me, before answering, to learn a little more about his band. Even though I've been representing their needs for many years, and I believe I've had their support for those years, I thought it would be good to go out there and do some research of my own. What I'd like do in support of the amendment is just to communicate a little bit of what I learned about the Okanagan Indian Band — what their needs are, what they do — and then share with you what the Chief told me regarding the amendment.

Just a little history on the Chief. Chief Byron Louis has over 26 years of knowledge and experience at various levels of the political spectrum, first as a duly elected councillor, then as title and rights adviser to the tribal council at regional level, and political liaison designate with the U.S.-based tribal public and private utilities and state and federal authorities.

[6:25 p.m.]

Over the course of his 20-plus-year career, he has served in various facets of political office concerning natural resources management, community-based economic development initiatives and public works, community planning, liaison and strategic development and negotiating with various levels of government and private sector — and, of course, has been re-elected as Chief for his people. So he definitely has the support and understands what the needs of his people are.

While the speakers in the Legislature…. In particular, the member for Skeena has very eloquently talked about the needs of First Nations across the province. I don't want to reiterate those. I don't, quite frankly, have the experience to do so. I have not walked in the shoes of the member for Saanich North and the Islands or the member for

Skeena and others, so I won't do that. But I do want to speak to the issues that were brought forward to me by the Chief that I represent and his people.

The Okanagan Indian Band is a First Nations government in British Columbia, located in the city of Vernon, just the north part of the Okanagan Valley, but also has lands in the Lake Country area. The band is a member of the Okanagan Nation Alliance, which covers not only, of course, in the Okanagan but goes down to the northern United States. As of October 2010, 809 of the Okanagan band's population live on one of the bands own reserves, 430 men and 379 women, with 86 people living on reserves governed by other bands — 36 men and 50 women. Nine hundred people are living off reserve, and the band's total population is just under 2,000.

When I looked at what the band does or how it could use the money that's coming from the government, from gaming, and proposed by this amendment to be distributed directly to the band…. I looked on line on their website and also looked on other websites to come up with this shortlist that I will enter into the record in support of my discussion on the amendment.

The Okanagan Indian Band administration department oversees the daily management of band business and houses the following subdepartments: corporate services, finance, communications and human resources. Through their administration department, they are able to ensure that people are well taken care of. Funding provided to the OKIB is obtained through annual federal transfer agreements from the federal government, predominantly, such as general band administration, social services, education, public works and housing, natural resources, land development and community health services.

I'm going to, just for a few minutes, talk a little bit about each of these services that they offer and how these funds, if they were directly handed to them, might have more buying power. The communications department supports the OKIB chief and council departments and staff to distribute information to the OKIB membership, community and the public. What they fund is: websites, social media feeds — like Facebook, Twitter, Instagram — other communication tools, press releases, media advisories, their signage, their monthly newspaper, pamphlets, quarterly reports, annual reports, community engagements, emails lists, reports and presentations.

They also have an education department, which administers programs like the early childhood centre, their cultural immersion school, elementary and secondary support services, post-secondary support services, Six Mile Creek Education Centre. Their department recognizes that it's extremely important that moral support, advisory services and financial assistance be provided to the band members who want to further their education and training and who are eligible for post-secondary funding. They offer a unique educational experience designed to enhance intellectual growth and promote participatory engagement.

They also promoted the community of growth. Preparing their children for the brightest future, their cultural immersion school is pioneering the field of education through their dedication and commitment to the students' needs. Their goal is to promote the language and culture of the Okanagan people, and they welcome all prospective students to visit any time.

They're also trying to revitalize their language. Despite the history of languages lost, Aboriginal Canadians are working together to revitalize their ancestral languages by preserving the knowledge of elders and teaching a new generation of speakers.

Their daycare is a combined school and childhood facility. The teamwork of a number of departments within the OIB and support of the chief and council has made this facility possible. In 1994, a needs assessment was completed by band members, identifying the lack of affordable, reliable child care, and legislation in '94 allocated $720 million for First Nations and Inuit child care.

[6:30 p.m.]

The OIB was one of the first bands in B.C. to apply for First Nations daycare funds. They had a preschool building. It did not pass a safety inspection, so it was decided to build a facility and offer a first-rate early childhood education centre for the children that First Nations control.

[J. Isaacs in the chair.]

Their philosophy of early childhood education is that a First Nations–controlled facility could be possible if provided a happy, healthy, safe and stimulating environment for children, which fosters their physical, intellectual, emotional, social, creative and all necessary cultural development. All areas are related to and dependent upon one another and are of equal importance to childhood development. So they have that. Their child care program is full-time and part-time, for ages three months to 12 years, and it's open from 7:30 a.m. to 5:30 p.m.

They also have a public works department, which manages their infrastructure — infrastructure such as water systems, their parks, their roads, their buildings. They have future housing work with CMHC and INAC for future developments, subdivisions, working with members to secure mortgages through band-approved lenders.

In the lands department, they're responsible for developing practices and reserve land policies and practices. They have a number of reserve lands — 10,000 hectares on Okanagan Indian Reserve No. 1, 32 hectares on No. 4, 65 hectares, and so on and so forth. On average, the lands department works with Indian Affairs to register documents related to OKIB reserve funds in the neighbourhood of 330 instruments per year.

They also have an environmental problem they need money for. They have unexploded ordnances on the OKIB land. These unexploded ordnances have littered the land at Madeline Lake and Goose Lake since the Boer War in 1906. Canadian soldiers were trained to fire live mortar, grenades and other munitions, including white phosphorus, on their lands. In 2014, over-70-years-old live mortars are still found, and cleaned-up agreement specifies that beginning in 2015, ten band members will be trained — so this is past tense — to become UXO technicians to help remove. So they also need money for that.

Community services. The OKIB has community services that are funded again. All programs are funded through Health Canada's First Nations and Inuit health branch by the way of contribution agreements. The department must administer and provide these programs and services in a manner that complies with Health Canada — things like health, child and family services, social development, member services and employment training. Of course, they have health benefits.

They also have youth programs that are targeted towards youth, from seven to 18, and provide cultural physical activities and life skills programs. The youth programs are used to encourage OKIB youth to become involved in their community and build self-esteem. A number of things they do are taekwondo…. They have youth Eagle programs. They have canoe journeys. They have firearm safety, amongst other things like youth hunting, cultural camps, ball hockey, year-end waterslides.

What's not on there, what I didn't find on the different websites, was something that Chief Byron Louis and I were working on together when I was the Minister of Agriculture in the previous government, and that is to see more agriculture on their lands. He was looking for investment on that as well.

So a long list of things that the Chief has said that they could use funds for to support their people to close that gap. This is not Westbank First Nation, as people have identified. This is the Okanagan Indian Band. This is a band that needs assistance to help their people move forward.

When I asked the Chief what he thought of the legislation, to get to the finer point of things, the Chief basically told me — I'm going to paraphrase here — that he believed that the money should go directly to the bands. He did not believe in sending the money through an intermediary of any kind. He thought his band and other bands were well-equipped to handle funds directly, as they do right now with other pools of money that are coming to them.

He also had issues with the list of things that were being identified in the legislation. He would prefer that they would have more flexibility in what they could use the funds for. So with that, I believe that my role is to be the voice of the people of my constituency.

In this particular case, the Okanagan Indian Band are the ones directly impacted by the legislation. The amendments to the legislation clearly do what the chief and council have articulated to me would be their preference, which is to have the money flow directly to them without any intermediary and give them more flexibility as to what they can use the funds for. Therefore, I will be supporting the amendment as it's presented by the opposition.

Hon. D. Eby: I'll refrain from repeating myself on the issue of the amendment. But I will point out that the member was not correct when he suggested that there was a list in the legislation. There is no list in the legislation in terms of approved areas of funding.

M. Lee: Well, I'm just, in part, going to…. Perhaps we can talk a little more about that after we speak to this amendment. But maybe I should just ask a clarifying question in light of the Attorney General's comment.

Under the interim agreement, there are, both in recitals and the agreement itself, the principles under which these expenditures or the revenue share can be utilized. Is that not correct?

The Chair: Member, we will just speak on the amendment. Thank you.

M. Lee: We'll come back to that, then.

Let me just say that I certainly share the frustration of the member for Saanich North and the Islands, because I believe that all members of this House have been put in this position where the government entered into an interim agreement without the opportunity for members of this House to consult, as the member for Kelowna–Lake Country just indicated, with constituents, the First Nations partners that are resident in the areas that we represent in this province. There has clearly been a breakdown in the process here. That's what we're responding to.

We've been forced, in six days of debate here, where we've had Bill 35, a miscellaneous stats bill — 17 statutes which we've gone through in a thoughtful fashion in the way that we're able to — and now Bill 36…. In six days of this House's time, we've been able to get to two bills. In doing so, the opportunity for members of this side of the House to reach out to First Nations in our areas of the province has indicated concerns, concerns about this revenue-sharing arrangement.

Our response is to at least put on the order paper notice to all members of this House of what, in our view, is an appropriate amendment to consider. As we've heard from the member for Nechako Lakes in moving this amendment, this would be the opportunity to consider a different model.

Again, we're being forced into this position out of concerns, indeed, around the way, the manner in which consultation occurred here. I understand that there are practicalities here. There are practicalities in the way that the government proceeded. But we are talking about a 25-year commitment, a 25-year commitment that…. Had this government had the opportunity to do it over again, I'm sure they would have brought it to the House at the outset.

As we learned from the briefings, it was indicated that this amendment was necessary because the government had effectively committed the province to a 25-year revenue-sharing stream, one that would hit the books of this government in one budget year unless the amendments that were set out in this amendment act were enacted. That discussion and that consideration should have happened at the outset of this arrangement. Because it didn't, First Nations and members of this House are in this position where we do have considerations about….

[6:40 p.m.]

Well, let me say — the Attorney General made a comment earlier — I appreciate that there are other jurisdictions in this country that have followed a similar sharing of gaming revenue. We've heard from members of the House, here on this side of the House, that we support, certainly, the sharing of revenue with First Nations. But it's how and the manner it's to be done.

We are the first jurisdiction in this country to have entered into the kind of economic and reconciliation type of agreements, over 500 agreements that have been entered into. That was under the previous government. That was an effort to do revenue-sharing, to recognize the importance of building those economic partnerships and other partnerships with First Nations. So when we come back to the level of this model of revenue-sharing, we have concerns, because we continue to hear from First Nation leaders across this province about this arrangement.

I'd like to say that when we go through the questions on this section, we see the overhang of the partnership structure. In light of that, the amendment is proposed in order to have the direct funding flow directly to First Nations without the necessity of having an administrative structure imposed on top of it.

Now, I appreciate that that is going to take some additional effort here. That certainly is provided for in this amendment, where there will be a process necessary to do that by way of regulation — to enter into and consider the distribution formula.

Again, we have heard considerations of needs by First Nations. The formula that's set out currently in the partnership agreement is 50-40-10, 10 being a remote geography consideration. That is certainly one indicator of need. As we hear from other First Nations, there are other considerations of need. There's a differentiation between how First Nations are situated in this province. We've spoken to that on second reading

and in the course of this debate at committee level. So I think it's entirely appropriate that this amendment be brought forward.

I appreciate that there has been this back-and-forth about leg. council. Certainly, if given the opportunity, we've been able to utilize leg. council. Certainly, when you're talking about two bills that have been brought forward, with no other bills being brought forward for debate on second reading into committee, there's very little time to turn around on this.

That's what this government has done. We haven't had this level, particularly when we're talking about an arrangement that was entered into close to two years ago. We've had the time. This government had the time to bring this matter to the House — the transparency to this House of what was being entered into on the interim agreement and now the long-term agreement itself.

I would like to, again, speak in favour of this amendment. It is a straightforward one, to include the term "Designated First Nations," which replicates the categories of eligible First Nations which are attached to the interim agreement. That is entirely consistent. It substitutes directly a "long-term agreement" that would be entered into with each, in effect, designated First Nation — and that designated First Nations are to receive their portion of the actual net income of the Lottery Corp. as determined by regulation "in accordance with a distribution formula."

Those effectively are the three basic structural amendments that we're proposing. They're straightforward. But it does enable the opportunity for this government to enter into a direct revenue-sharing arrangement with First Nations — 203. Yes, 203. I appreciate that that's a lot. But the fact of the matter is this government has a responsibility to ensure proper and appropriate and fulsome consultation.

[6:45 p.m.]

It surprises me to hear from members on this side of the House, as they talk to First Nations leaders…. I had a conversation myself with one. I mean, I appreciate that we have not been able to do a comprehensive review. That's the responsibility of this government. All we can do is reach out to First Nations in our communities and our areas of the province, and that's what members of this side of the House have done.

It reveals a concerning disconnect, a misunderstanding of the terms of this arrangement — a desire to receive the funds directly, a desire to not have the kind of prescriptions that are set out under this partnership agreement as to what permitted expenditures would be.

I would urge all members of this House to consider this amendment and to consider the situation that we've been forced into in dealing with this. This would

provide greater flexibility to enable that direct relationship to continue to be built with First Nations across this province.

We all recognize that that's an important challenge to continue to do. We have a lot of work to do with every First Nation in this province. This model that we're proposing would enable that direct relationship to continue to be established and to be furthered.

Again, I would urge all members to carefully consider this amendment, and I will certainly be voting in favour of the amendment myself.

Hon. S. Simpson: I'm not pleased to get up to have to speak to this amendment. It's unfortunate that this has occurred.

The reality is that we're dealing here with a piece of legislation that was meant to correct a problem that the other side refused to address for 16 years. Every other jurisdiction in this country shares these revenues except British Columbia, which denied to go into a relationship with First Nations that would allow them the resources they needed to move forward on their interests. That's what we're discussing here today.

The member for Kelowna–Lake Country talked about his conversations with the Chief of the band in his constituency and talked about a whole array of issues that are important to that band. These resources, in fact, would support the ability of that band to address those issues, including, I might mention…. He talked about the issue of languages. I would remind the members on the other side that this is the government that put $50 million into the protection and enhancement of First Nations languages.

This is the right thing to do. We can all talk about going and having anecdotal conversations either with bands in our communities or with chiefs. Let's talk about the reality of what this legislation does. This legislation creates a limited partnership, a partnership that is owned and controlled by First Nations, a partnership that today would be owned by, I believe, 171 nations that have signed on to this agreement.

Now, I don't know about the other side, but I believe those nations, when they signed on, knew full well what exactly they were signing on to. They saw it as a vehicle and a tool to be used. It's a 23-year agreement. It's an agreement that opens the door for those First Nations to determine for themselves how they want to effect changes in this agreement through the limited partnership as they move forward. I expect they will do that, and they should be doing that, and it shouldn't be some last-minute paternalistic move on the part of the Liberals.

It's hard to take some of the comments from the other side seriously when the member for Chilliwack-Kent spends the first half of his comments talking about how, if we give this money to the First Nations, it'll all be clawed back by the federal government, so maybe we shouldn't do that at all. "Oh, but by the way, I support this amendment." It's a little hard to take.

The member for Saanich North and the Islands spoke eloquently about this. He talked about what we need to do. We have heard from First Nations. They have been looking for this share of gaming resources for an awfully long time in this province. They've certainly been looking for it for all the time that I've been in this place. And they were denied even a fair conversation by past Liberal governments.

YEAS — 37

Cadieux	de Jong	Bond
Polak	Wilkinson	Lee
Stone	Coleman	Wat
Bernier	Thornthwaite	Paton
Ashton	Barnett	Yap
Martin	Davies	Kyllo
Sullivan	Reid	Morris
Ross	Oakes	Johal
Rustad	Milobar	Shypitka
Hunt	Throness	Tegart
Stewart	Sultan	Gibson
Letnick	Thomson	Larson
	Foster	

NAYS — 44

Chouhan	Kahlon	Begg
Brar	Heyman	Donaldson
Mungall	Bains	Beare
Chen	Popham	Trevena
Chow	Kang	Simons
D'Eith	Sims	Routley
Ma	Elmore	Dean
Routledge	Singh	Leonard
Darcy	Simpson	Robinson
Farnworth	Horgan	James

Eby	Dix	Ralston
Mark	Fleming	Conroy
Fraser	Chandra Herbert	Rice
Malcolmson	Furstenau	Weaver
Olsen		Glumac

This government has said:

"Let's put the structure in place." The structure will not be owned and controlled by the provincial government. The structure will be owned and controlled by the First Nations. They will make the decisions how that structure moves forward. That's what self-determination is. That's what moving to reconciliation is. That's what it's about to provide resources where the choices will be made by the First Nations for what is in their interests.

This game that's being played by the opposition — and it is a game — is just inexcusable. It's time to make reconciliation work. We will see that tomorrow. We could see that today if some wisdom hit that side and this inane amendment was pulled off the table and we proceeded with moving forward in what's in the best interests of First Nations first, instead of that side trying to find what's in their political best interests.

We have the opportunity to take another step down that path to reconciliation with this bill. It is the right thing to do. It's the right thing to do now. The structure that gets put in place moving forward needs to be a structure that isn't owned by us, that is owned by First Nations. That's exactly what this act does. That's exactly what 171 nations who have signed on to this agreement are prepared to engage and work with.

That's where we should be going, and any thoughtful member who really embraces reconciliation would understand that.

The Chair: Further discussion on the amendment?

[6:55 p.m.]

Amendment negatived on the following division:

Point of Privilege
(Reservation of Right)

J. Rustad: I rise to reserve my right to raise a personal point of privilege.

Debate Continued

Hon. D. Eby: I move the committee rise, report progress and seek leave to sit again.

Motion approved.

The committee rose at 7 p.m.

The House resumed; Mr. Speaker in the chair.

Committee of the Whole (Section B), having reported progress, was granted leave to sit again.

Hon. M. Farnworth moved adjournment of the House.

Motion approved.

Mr. Speaker: This House stands adjourned until 10 a.m. tomorrow morning.

The House adjourned at 7 p.m.

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 41st Parl, 4th Sess, Issue No 281, (24 October 2019) at 10240 (M Lee), online: < https://www.leg.bc.ca/documents-data/debate-transcripts/41st-parliament/4th-session/20191024pm-Hansard-n281#bill36-C>.

BILL 36 — GAMING CONTROL
AMENDMENT ACT, 2019

(continued)

The House in Committee of the Whole (Section B) on Bill 36; R. Chouhan in the chair.

The committee met at 2:37 p.m.

On section 2 *(continued)*.

M. Lee: I wanted to come back to a question that was raised in comments on the arrangement on an interim basis, just to understand the comment that the Attorney General made near the end of the last period of time we were dealing with this as a committee. It was around what would be a permitted expenditure by First Nations on those arrangements.

I was understanding that when looking at the recitals of the interim agreement and other sections of the agreement, there is contemplation of five or six core areas in which First Nations are expected to be spending the share of revenue that they'll be receiving from the government. If I can confirm with the Attorney General that that is the case, and if so, what are those areas, for the record?

Hon. D. Eby: Eligible B.C. First Nations will determine their own priorities for these funds, which may be spent within six categories of approved purposes, which were set by them: health and wellness; infrastructure, safety, transportation and housing; economic and business development; education, language, culture and training; community development and environmental protection; and capacity building, fiscal management and governance. Direct distributions to individuals are not permitted.

I think that fully responds to the member's question.

M. Lee: I appreciate that there has been a level of engagement or discussion around the core areas for which expenditures ought to be provided. When a First Nation is receiving funds, can those funds be expended on any purpose other than the ones that the Attorney General has mentioned?

Hon. D. Eby: I understand that the nation could invest the money, but ultimately, it would have to be spent on one of the six categories that I listed.

[2:40 p.m.]

M. Lee: I wanted to ask about the term…. The member for Skeena — this is one of the questions that he wanted to raise, which is clarity around the definition of "provincial territorial organizations" on page 9 of the interim agreement. The use of the word "territorial" is intended to denote what?

Hon. D. Eby: Provincial territorial organizations are the First Nations Summit, the B.C. Assembly of First Nations and the Union of B.C. Indian Chiefs, which collectively

make up the leadership council. As for the word “territorial,” it has its usual meaning, that I understand.

M. Lee: I just wanted to ask, to reconfirm the type of reporting that is required under the interim agreement. If the Attorney General could outline, on an annual basis, what the First Nations are expected to be doing in order to comply with their obligations under this arrangement.

Hon. D. Eby: The limited partners provide their audited reports to the partnership, and then the partnership aggregates the reports and provides an aggregated report to the province about how the money is being spent and what impact it has had on communities.

M. Lee: With these audited statements that are being provided, how do they fit with other existing audit requirements — say, required by the federal government?

Hon. D. Eby: I’m advised that we don’t have sufficient information about the federal requirements. But from what we know of the federal requirements, there’s not intended to be overlap or that somehow one system would feed into the other, necessarily. The auditing function is about ensuring that the money that’s provided is used for the project as stated and not for other purposes.

M. Lee: Just in terms of the general partner, what are the requirements on reporting on the use of funds, apart from the audited statements, that is needed to be provided by each of the First Nations?

Hon. D. Eby: The current requirements, as we understand them, are that within 90 days following the end of a fiscal year, the general partner will receive audited financial statements from the limited partner, which are going to show the receipt of the distribution from the partnership itself and then how the limited partners spent that money. The report will be of all the amounts expended on permitted expenses. It’s sort of a straightforward grant report, I guess, if any of you have had exposure to the non-profit world, and that report is going from the limited partner up to the partnership.

[2:45 p.m.]

M. Lee: I wanted to come back to a few aspects of what we were discussing in the last committee session and ask the Attorney General: were First Nations given the option of having the funds, the net annual gaming revenue, flow directly to them other than through the partnership?

Hon. D. Eby: Once a First Nation becomes a limited partner in the partnership, there is an option for them to direct the partnership to instruct the province to provide the funding directly to the nation. But they do have to become a limited partner first.

They're still subject to all of the reporting accountabilities that are in the partnership agreement.

M. Lee: We did touch on this yesterday, in that regard. That would be, presumably, for one individual First Nation to work through the partnership arrangement in order to make that direction.

In terms of the review that's contemplated down the road under the long-term agreement, if the limited partners choose to alter the way, the mechanism, in which funds are received…. We discussed yesterday in committee that presumably that would be a material change to the partnership agreement arrangement and would require approval by way of an extraordinary resolution of all of the limited partners. Could I confirm that that is the case?

Hon. D. Eby: The previous answer that I gave to the member was in relation to an individual nation that might want to have its money flow directly from government. They still have to become a member of the limited partnership.

If the limited partners decided to dissolve the partnership and have money be administered in a different way, then certainly, they're entitled to do that through special resolution. It would obviously be a fairly significant step, given that the partnership is written into all of the agreements as well as the legislation.

It's possible, but it would be fairly substantial, compared to just somebody saying: "I'd rather have my money come directly from the provincial government."

M. Lee: When we look at the Gaming Control Act itself and look at sources of revenue and sharing of revenue from gaming in this province…. As a point of reference, under the act that we're currently considering an amendment to under part 6, "Grants to Eligible Organizations," there is contemplation, of course, about annual community gaming grants.

Can I ask the Attorney General to confirm the current level of another form of revenue-sharing that's occurring in this province with not-for-profit organizations and others in the arts or in sports or other needs in the community? What is that level of funding that's currently being received by those organizations, in an aggregate nature?

Hon. D. Eby: We're getting the number for the member. We don't have it immediately at hand. It shouldn't take long.

[2:50 p.m.]

M. Lee: I appreciate that. I appreciate the opportunity to confirm that level.

To the Attorney General and his team there, it would be helpful…. My next question was going to be to look back in terms of for this current budget year and, let's say, the four previous years — recognizing that there's obviously been a previous government that is in that range. I just wanted to see, to establish some steady-state pattern, I expect, from that level of gaming, under either the previous government or this current government. That would be my request for that information that would facilitate this discussion.

Just as we look at part 6, the way it is established, there is the mechanism for which there is, under section 41 of this act…. "Subject to there being an appropriation under the Financial Administration Act," on application, "grants may be made to organizations that meet the prescribed standards of eligibility." Has there been any consideration, in the context of revenue-sharing, to establishing a minimum committed amount for community and gaming organizations, organizations that are of need for these funds and rely on these funds on an annual basis?

Many not-for-profits, including the ones that I've served as a director of, look to that funding in order to fund their good operations, including — I think I referenced this in my second reading speech — an arts and education training organization that I used to be on the board of that was able, with the help and the assistance of community gaming funds from the province, to establish new programs for after-school care, particularly for children who were vulnerable, low-income people who don't have access, families that don't have access to that kind of strength in arts and education training.

Organizations like that have the need to have the ability, at least, on an annual basis, to apply for further funds based on their track record and based on their need. Has there been any consideration in this area looking at establishing a minimum commitment for a proportion of gaming revenue to be set aside on an annual basis for community gaming?

Hon. D. Eby: This legislation is not related at all to the community gaming program. Government does have a fixed amount that it provides to community organizations, which is independent of the particular financial income of the B.C. Lottery Corp. As the member will know, when we banned bulk cash transactions at casinos, there was a lot of concern: if it affected B.C. Lottery Corp.'s revenues, would it impact gaming grants? Government committed that no, we would be keeping a consistent amount of money in the gaming grant system.

I'll do my best to answer gaming grant–related questions, but this is a totally different project program and a different stream of government revenue, and so on.

M. Lee: I appreciate that it's certainly a different section of the act, but we are talking about gaming revenue. Certainly, there's been a history in this province of community gaming grants being established. As I understand it, in talking to a previous

member of this Legislative Assembly, back in the ’80s, under the Premier of the day, it was his intention and desire to ensure that revenues that were being made available from gaming were made available directly to communities and that those revenues did not flow back through government through general revenue.

We’ve since moved a great deal of distance there, but the intention of ensuring that these funds are put to good use in communities…. As we look at this arrangement, it’s important to consider what has been a very important program of funding. That’s the reason why I’m asking questions around this, and my colleague the member for Cariboo North will join me shortly in further discussion around that.

[2:55 p.m.]

Let me just pause there for one moment, because there’s some information coming and also because the member for Kelowna–Lake Country asked me to ask a point of clarification in response to the previous answers around how a limited partner, as a First Nation, would have the ability to withdraw from the limited partnership arrangement. If that was the case as an individual First Nation, would there be any further administrative or carrying charges or any other costs that the First Nation who is withdrawing from the limited partnership would need to pay?

Hon. D. Eby: Perhaps a point of clarification here. In order to be able to direct your payment to come directly from the government, you need to become a member of the limited partnership. That’s the structure that’s been established around accountabilities, around reporting, and so on. You’re still a member of the limited partnership. You’re just saying: “I don’t want you to cut the cheque. I want the government to cut the cheque.”

To my knowledge, there would be no extra cost to request a cheque from the government, rather than to do what everybody else would presumably do and receive their cheque from the limited partnership.

M. Lee: Thank you for that response. This is an important consideration for the member for Kelowna–Lake Country. He spoke yesterday about the feedback he had from a Chief of a First Nation in his area of representation. If I can, I’ll just pursue that a little more here.

If we have a First Nation who withdraws or — as put correctly by the Attorney General, just to clarify the language — directs the limited partnership to provide the funds directly from government to the First Nation, presumably, at some point, the general partner…. If there were a number of First Nations that were doing that, there is going to be some cost.

Yesterday we learned that the estimated budget of the general partner is up to or less than 1 percent of the annual carry for the fund. That’s been estimated at roughly $1

million or less. The Attorney General stressed the less part. Who knows what that is? But let's just say for discussion purposes, it's $1 million or so.

Presumably, with the 203 First Nations, if they all started withdrawing or directing, what would be the role, first of all, for the general partner? And assuming there is a role, presumably, there is going to be — or is there? — some fee necessary by those First Nations in order to continue to support the overall enterprise, given that that First Nation is still a limited partner.

Again, I'm assuming in the case of a limited partner who directs funds to go directly from government to the First Nation, not through the limited partnership, that there's still a role for the general partner. So what is that role? Two, what fee would there be for the performance of that role payable from that First Nation, who is making that direction, to the general partner?

Hon. D. Eby: The limited partner is an incredibly important entity. It is the democratic body that hears concerns, suggestions, feedback from all the nations that are participating about various things: the categories for which grants can be given; the reporting structures that are in place; the decision about particular projects that may be close to the edge or, for some reason — we can't speculate why — might be controversial.

That is the decision-making body for administration of this pool of funds. It is an incredibly important structure, because it's Indigenous-led for Indigenous people. If a nation wanted to receive their cheque directly from the government, they would still want to participate in the limited partnership, because this is where decisions are being made around the formula, around the areas where you can apply for a grant and the reporting structures and the administration costs as a whole.

[3:00 p.m.]

It's hard to imagine a scenario where a nation would say: "We don't want to participate in the criteria-setting or the formula-setting discussions. Go ahead and make those decisions for us." It's possible, but they at least have the option as limited partners to participate in that. That's the nature of the body. It's not solely a cheque-cutting facility.

M. Lee: For the member for Kelowna–Lake Country, what I'm hearing the Attorney General respond would suggest that even though a First Nation has the ability to direct the limited partnership to receive the funding flow directly from government, as opposed to through the limited partnership, that limited partner is still a limited partner and, as such, would still be subject to the fees and expenses that are chargeable. The question, then, is how a deduction would be made.

Let me ask that. How is the deduction going to be made from what the First Nation would receive, in respect of the general partner's expenses?

Hon. D. Eby: I don't know…. There might be some sort of misunderstanding, but maybe not, about how this is going to work. The money is going to flow from government to the limited partnership. Limited partners, by right, will participate in that according to the formula that is set by the limited partnership through the partnership agreement.

It's going to be net of any administration costs of that — the money that's distributed according to the formula. So there are no deductions. I don't know. The potential, I guess, is that the partnership would do the calculation and say that nation X is entitled to Y amount of money and let government know, and then government would distribute that money directly to the nation according to the formula and their entitlement.

There's no application for a particular project and then getting approved. There are no deductions. It's just an entitlement to a fixed amount of money that comes through the partnership according to the formula, net of any administrative costs.

M. Lee: Just as a point of clarification, then, how does the money, as a different option…? I'm hearing the Attorney General describe it as it coming from government to the limited partnership, and the net amount is going out to First Nations, which is part of the structure. So if we're talking about the alternative, is that still a net amount?

Hon. D. Eby: It always drove me crazy in opposition when the government side tried to do this, but I'm going to try anyway — try to get at what the member is really asking me about. Is there a way to deliver this money with less administration costs and ensure that more money goes to the bands or the nations?

[3:05 p.m.]

The answer is no. There is no way to deliver this money without administration costs. There need to be reports about how the money was spent. Someone needs to receive those reports, compile them and report out to the public about how the money is spent. Someone needs to set the criteria, evaluate the criteria, receive feedback from nations about whether the formula is working properly, adjust the formula if necessary and adjust the categories if necessary to ensure that the program is working properly. There is no world where there are no administrative expenses.

Then the question is: if there are inevitably going to be administration expenses, who is best placed to administer this program? Is it the government, or is it the nations for themselves? The position of government is that the best group to administer this program for the nations are the nations themselves through the structure that they have established, which is the limited partnership.

I hope that broader perspective addresses the member's questions. There will be administrative costs regardless of whether a nation that's a limited partner asks for it to be distributed directly from government or distributed from the limited partnership. The reason for that is that all of the work I just outlined still has to get done by somebody, and we believe it's best done by Indigenous people for Indigenous people.

M. Lee: Well, I appreciate that response. I believe that provides the clarification that my colleague, the member for Kelowna–Lake Country, was asking for. I appreciate that.

Can I ask, just from a process point of view, if the information has been received in terms of community gaming?

Hon. D. Eby: In 2015-16, it was $134.8 million; in 2016-17, $134.8 million. In '17-18, the incoming government increased that amount, so it was $139.7 million — rounded up, $139.8 million. Then in '18-19, it was $139.8 million.

M. Lee: Thank you for that confirmation. I appreciate the opportunity to have that historical information shared here.

Just one question related to that. I presume that, in terms of as a proportion of total gaming revenue, that percentage — this contribution amount — ranging between $134 million and $139 million over the last four fiscal years, has been a consistent percentage of annual gaming revenue. If that's the case, what is that rough percentage?

Hon. D. Eby: I don't believe that any government has run this as a fixed percentage of gaming revenue as the First Nations program is proposed to run. I understand the gaming program was a fixed amount, and the government has generally provided fixed amounts through the gaming program.

Again, this program lies in the Ministry of Municipal Affairs and Housing. We'll do our best to answer the member, but I hope he'll have some understanding if I have to stand up and correct myself. It's my understanding that these were closer to fixed numbers. There wasn't a formula percentage of gaming revenue.

C. Oakes: Thank you for the opportunity.

If you review the actual 2019 community gaming grant guidelines, is it not true, because it had certainly been identified in the guideline, that, in fact, the Attorney General is responsible for the integrity of the community gaming grants program?

Hon. D. Eby: Certainly, the Attorney General has a role to play around the integrity of any government program if there are allegations of fraud or corruption. Policy-wise, though, the program lives in the Ministry of Municipal Affairs and Housing.

[3:10 p.m.]

C. Oakes: I certainly understand that, but again, if you look at the policy applications on the community gaming grant side, the Attorney General is still responsible for the integrity of the community gaming grants program.

Hon. D. Eby: I think I agreed with that. Also, a staff member here indicated that there is a member in the Ministry of Attorney General that collects the audits in relation to this program.

C. Oakes: I think it's really important. Again, it was a historic day today, and one of the things that really stood out to me was when Grand Chief Ed John talked about the importance of asking questions. I think that's a legitimate comment that all of us should take — that we represent constituents in our ridings. They put forward questions that they request of us, as their elected officials, to come and to bring forward to the House.

I have to make a comment in response to the member from Saanich, Gulf and the Islands — quite frankly, were egregious and inflammatory…. The idea that when we bring questions forward from constituents, from Indigenous populations in our communities, if by chance the comments that we make do not deserve the adequate respect of every member in this House….

I want to put on record that some of the comments that have been made about us asking questions that our constituents have asked to bring forward…. To be dismissed and to have comments that were very unparliamentary is just, quite frankly, on behalf of my constituents, not acceptable.

When my constituents raise questions and concerns — and I talked briefly about this on Bill 36 — it comes from a place of concern. It comes from a place that we as a community…. We've heard discussions about what has been happening in the Cariboo — the impacts of the wildfires, the impacts of a downturn in the economy, the forestry crisis. Our communities are struggling.

We count on support. We count on programs that have been put in place by government to ensure that there is adequate expected support for our constituents. So when the First Nations and I go home, and they talk about what it means that the government has delayed the rural dividend program — the program where they were expecting those funds to go forward…. It is, rightfully, a concern that they've asked me to raise. When they've asked me to come forward in this House and raise the fact that, on the formula, the idea of population-based formulas are a concern under Bill 36, it shouldn't be dismissed.

It shouldn't be as if…. We are asking questions about concerns of our constituents. We are no less engaged with listening to, advocating for and fighting, quite frankly, for our constituents.

While the minister can look at the ceiling, which looks like it must be quite fascinating….

Interjection.

C. Oakes: Well, that's fantastic.

The Chair: Members, let's keep it….

Interjections.

C. Oakes: The formula on the bill. It's not about….

Interjections.

C. Oakes: To the members, we are talking about Bill 36.

The Chair: No, no. The member has the right to ask questions.

The Attorney was not looking at anything else, Member, just looking at the students. Carry on.

C. Oakes: Okay. I'm glad that we have students here. I know that these students would want to recognize the fact that we, as MLAs, represent constituents in our communities and that our responsibility is to bring their voices forward in this House.

On behalf of my constituents, there is concern around the population-based nature of the formula. There are also concerns…. Around the population-based formula, can the minister confirm that for communities that are small of population, we will get our fair share?

[3:15 p.m.]

Hon. D. Eby: I appreciate the member standing up and asking questions on behalf of the First Nations in her community. I hope that she's reaching out to them and sharing the good news about the government sharing gaming revenue with them, after so many decades of advocating for that to change — B.C. being the only province that doesn't share gaming revenue with First Nations.

When she talks about her community being hard hit, we couldn't agree more on this side of the House. It's a total crisis, and this money will help. It will help First Nations in her community, which will help the whole community. We've seen it in Ontario, where they've been sharing gaming revenue for a long time through a partnership like this. Economic development on First Nations reserves, traditionally very

impoverished reserves, has had a knock-on and positive effect in the broader community as well.

Certainly, when we see an economic downturn or a crisis, like we do in the forest sector, it is those on the economic fringes that are particularly hurt as well. A lot of people are hurting right now. This is money that's coming into the community that's going to make a very positive difference, so we're very excited about that. I hope the member is sharing that good news with her constituents.

As for the formula, it's set by First Nations for First Nations. One of the things that is going to happen is that the initial distribution is on three key factors. Factor 1 is just a straight-up equal distribution among all 203 nations, not based on population or geography or anything else, just a straight division. That's 50 percent of the revenue received by the partnership.

Then the second factor is population, and 40 percent will be distributed according to population. Then the third factor is rural and remote communities and Indigenous communities. There's an extra 10 percent that will be used to top up those communities, because often they're very small communities, and there's recognition of that.

What's going to happen is that there's going to be the first year, the first couple of years, of distributions. If the formula is not working out the way that people intended, then the partnership will revisit it. The history of First Nations in B.C. is one of larger nations standing up on behalf of smaller nations. I have no reason to believe that that would change here in terms of supporting them and ensuring that they're not excluded from participation.

I look forward to this. I hope that it makes some difference in a very hard-hit area, in association with all of the Minister of Forests, Lands and Natural Resource Operations' $69 million fund for forest workers, that the member can reassure her constituents that government is doing what we can in a very difficult time.

C. Oakes: Could the minister clarify? I'm certainly aware of applications that have gone in through the community gaming grant process by Indigenous and First Nations organizations. The minister just shared that we have not shared these funds. Community gaming grant applications have been open, in fact, for cultural organizations and groups. Could he maybe clarify that comment, as he is responsible for the integrity of the community gaming grant program?

Hon. D. Eby: I will acknowledge that the previous government did not exclude First Nations from applying for community gaming grants, if that's what the member is suggesting. What the previous government didn't do was something that every other province in Canada did, which is to have a dedicated stream of revenue from gaming exclusively for First Nations, which is what this is. It's very significantly different.

I'm not sure if the member understands quite what we're doing here if she's confused about that point, because the money is a dedicated stream of revenue from a percentage of the earnings of government from gaming distributed directly to First Nations through a limited partnership controlled by First Nations. It is structurally completely different from community gaming grants, which I will absolutely acknowledge that any First Nation in B.C. could have potentially applied to and did exist under the previous government.

C. Oakes: On page 9 of the new community gaming grant guide, and under organizational eligibility, under 3.2…. I guess my question is, as the Attorney General is responsible for the integrity of the program….

[3:20 p.m.]

It now states that an organization is permanently ineligible for a community grant if it "is a federal, provincial, regional, municipal, First Nation or other local government." So are First Nations now not eligible for community gaming grant funds?

Hon. D. Eby: I appreciate the member clarifying that.

First Nations governments were never able to apply. Neither were municipal governments, federal or provincial governments. It's community organizations. As the member said in her initial question, First Nations cultural organizations, language organizations and sports teams organizations could apply. But the First Nations government itself, the band council, and so on, could not apply.

That's not something new. That has always been the case.

C. Oakes: I've just had a brief opportunity to review Bill 41, Declaration on the Rights of Indigenous Peoples Act. Of course, in it are the definitions that have been identified — critically important. Any time we have definitions in legislation, it does have an impact on all other pieces of legislation that we have in this House.

The interpretation of an Indigenous government body and Indigenous peoples has the community gaming grant program…. What impact will Bill 41 now have on other pieces of legislation — for example, the community gaming grant which the Attorney General has responsibility for?

Hon. D. Eby: Well, the member had us all scrambling for a second. It's only been a few hours that Bill 41 has been introduced in the House — a proud and historic day for government, introducing that bill.

It's a wonderful question for committee stage on Bill 41 — not particularly relevant to the distribution of gaming revenue to First Nations that is in front of the committee right now.

C. Oakes: Where it is relevant is that it is a historic day. Any time there's something like this and there's been significant change in the legislation and we need to have that conversation, I think it is very fitting — and Grand Chief Ed John said it so eloquently about the fact that it's important — that we do everything within our ability to make sure we're answering those questions so that if there are any concerns that are coming from our communities, we're respecting those, and we're taking every single opportunity to ensure that we're not going to have unintended consequences.

The community gaming grant program is incredibly important to our communities. I really value what the Attorney General said about recognizing the fact that our communities in the Cariboo have been struggling. One of the eligibility factors currently within the community gaming grant guideline is looking at the demonstrated need of community members.

When I look at the fact that we have seen significant decline in community gaming grant revenue…. The Quesnel Figure Skating Club traditionally receives $28,000. This year they received nothing. When the north Cariboo Métis society, their healthy relationships, which is critically important…. Again, the North Cariboo Métis Association that puts in for victim services…. We were not successful in getting those funds.

Literacy Quesnel — critically important funding for our community — impacts a lot of Indigenous First Nations and non-Indigenous in our community. We're seeing that the Lions Club has been reduced. The Rotary club's funds have been reduced. The Scouts have been reduced. The Quesnel Women's Resource Centre went from $122,000 down to $80,500.

So women's groups, First Nations groups, public safety groups, sports groups and arts groups have all seen a decline in community gaming grant funding into our community.

[3:25 p.m.]

There is significant fear that the changes that are being brought forward could have even more impact on our communities that have been significantly impacted.

I think it is fitting. The Attorney General said that he did not have the ability in the last couple of hours to look at the interpretation of UNDRIP and the impact that it'll have on community gaming grants.

I think it's fitting, at this time, that we send that sense of confidence back to all of our communities who count on community gaming grants for our volunteer organizations, our sports groups, our public safety organizations — all those volunteer groups that work so diligently and so hard in our communities. They expect us to raise

their voices and their concerns, and they want to make sure that the community gaming grant will be kept whole.

I think that is a rightful thing for us to say. So I move an amendment that is on the order paper.

[**Section 2** ***by adding the underlined text as shown:***

Amount of net income available for community gaming grants

14.7 Subject to the regulations and the prescribed formula, a minimum percentage of the actual net income of the lottery corporation for each fiscal year beginning on or after April 1, 2020 shall be made available for community gaming grants in accordance with Part 6.

And ***by adding the following section:***

2.1 Section 41 (1) is amended by striking out "Subject to there being an appropriation under the ***Financial Administration Act***, and***" and substituting "***Subject to section 14.7, and***".***]

I think it's a fair amendment. Again, it just reaffirms that the community gaming grant program will be available.

While I recognize that the minister has said, "Look, we are committed to putting this money forward," I think constituents across British Columbia would have a lot more confidence in this new environment, before they have the ability to look at what the interpretation is of Bill 41, by confirming that community gaming grant programs will be kept whole for all of our volunteer organizations across British Columbia, because we know how much you are counting on these funds.

Again, I put forward this amendment that has been on the order paper in my name. I look forward to comments from the minister.

Hon. D. Eby: I look forward to reading the member's amendment. I haven't seen it. I can advise the member that there is absolutely no impact on community gaming grants by this initiative. Community gaming grants…. We did a little back-of-the-envelope calculation here. About 10 percent of net revenue to government from the B.C. Lottery Corp. goes to community gaming grants. This program — about 7 percent going directly to First Nations in the province.

I've asked staff to have a look. As I've advised the members repeatedly, gaming grants are in the Ministry of Municipal Affairs and Housing. I'll do my best to answer. The audit reports come back, but the decisions around issuing grants are made by public servants in a different ministry.

We'll try to figure out what the changes, if any, have been in gaming grants in the member's constituency, because our government actually increased gaming grants by $5 million on forming government. There's $5 million more available for community organizations in the province than there was the year before, under the previous administration, so it seems strange. But we will definitely….

I think the member will find that the intention of government is to maintain what we understood to be the non-partisan distribution of gaming grants to communities in need across the province — community groups, and so on — and that tradition should be continuing. If she has concerns that, for some reason, her community is not seeing good success with the gaming grant applications, to make some time with the Minister of Municipal Affairs and Housing — have a conversation, talk about those groups, try to figure out what is going on and what the issues may be.

The member should also know that government…. It was the same issue when they were in government. I know, because many of the groups that I worked for applied for gaming grants and didn't get them. There's a fixed amount of funds and there's far more need for the funds than government has, so some applications will ultimately be declined. But there are other sources of funds and there are other grants that organizations can apply for, and government can assist with that kind of thing.

[3:30 p.m.]

[J. Isaacs in the chair.]

I look forward to seeing the member's proposed amendment. I don't fully have an understanding of it from her description, but I look forward to reading it. But unless she's been out consulting with First Nations on this issue and has the support of the Leadership Council, it's going to be challenging.

She talks about the UNDRIP legislation that was introduced today. One of the core principles is, of course, Indigenous people making decisions for Indigenous people, and we have been working with Indigenous groups for more than a year in developing this.

I'll have a look at her amendment, but I'll just caution her that this context is a difficult one for an amendment that would structurally change the program.

C. Oakes: I sincerely want to thank the Attorney General for recognizing our communities and for an openness to look at what is happening.

I guess I raise this because I've certainly heard that…. And I want to thank staff. I worked closely, as the minister, with the gaming division, and I really want to thank them. I know that the work that's done is done in a thoughtful, sincere way, and I truly want to say thank you. I am just trying to understand how I can better support my

constituents with some applications. Quite frankly, we've never seen this level of reduction before, and we just want to get some answers.

I also appreciate some of these programs…. Of course, again, I have that file, and there is a large level of…. You know, everything sometimes tends to be oversubscribed. I had the opportunity to meet with the Minister of Public Safety on the victim services program. When communities are in crisis and you lose a significant program that is designed to help victims at a really, really difficult time, and a significant portion of the folks are Indigenous…. I have those concerns. And if we've looked at every funding option and we're still not having success, then it is our job to advocate.

Further to the Attorney General…. I appreciate his comments around Bill 41. What I was talking about is interpretations, interpretations that are created in legislation that identify in this act how we interpret a body. A governing body can have application to other pieces of legislation. I will say that in the pieces of legislation I've had the privilege of bringing forward, I was certainly advised by incredibly capable public servants that any type of interpretation or change that we make in legislation can have ramifications or can have changes in other pieces of legislation.

I think what the amendment is about is saying we have a community gaming grant program that, yes, is separate from what has been proposed in Bill 36. But what constituents are asking of this minister is: can you confirm that the community gaming grant funds, that the funds that he has, in fact, stated will remain the same, that people will still have access to community gaming grant funds, that we will, in fact, keep as well — to create that certainty across British Columbia that community gaming grants will not be impacted? That is the statement that we are hoping, within this amendment, will be recognized by this minister.

Hon. D. Eby: One of the repeated concerns that people brought forward to me in community, following the government's ban on bulk cash transactions at casinos, following the revelations of large-scale transnational money laundering happening in our casinos, was concern that this might impact the revenue at casinos and, by extension, the revenue of the B.C. Lottery Corp. and, by extension, community gaming grants, all negatively.

I assured people, the Premier assured people across the province, and the Minister for Municipal Affairs and Housing assured people across the province that we would not be reducing community gaming grants. In fact, our government increased community gaming grants by $5 million in our first year.

We understand the importance of community gaming grants to communities, to all of the cultural groups, the dance troupes, the language groups, the services that are delivered to people, really, for pennies on the dollar because so many of them are volunteer-driven.

We fully support the project, and I can assure the member that there will be no impact on this that comes from further sharing of gaming revenues directly with First Nations.

C. Oakes: Could you also confirm that funds will be regionally distributed as well? Again, I'm trying to identify how come, in rural British Columbia, we've seen such a reduction in organizations getting access to community gaming grants. The question is: can the minister confirm…? He's just confirmed that there won't be any reduction in the community gaming grant program. Can he also confirm that rural British Columbians will not see a negative impact — we don't have the population; we talked a little bit earlier about population formulas as it pertains to this bill — and that there won't be any reduction in rural British Columbia on community gaming?

Hon. D. Eby: It's a challenge to get the information the member needs, because it's not squarely on the bill that's in front of the House. We're doing our best. I will endeavour to get her the distribution — how it's distributed geographically, whether population plays a factor. It's certainly based on applications. People have to apply for the money, but I don't know exactly how it's distributed.

I don't believe there has been any change to distribution plans or policies, but again, I don't know. So what I'd like to do is to get the information for the member and share it with her as soon as I can, but I don't currently have it.

C. Oakes: I really do appreciate and look forward to getting access to that information. Maybe part of the reason is…. And again, this is the integrity piece that the Attorney General is responsible for.

I know, for example, that on the sports side, March 1 to May 31 is when the applications went in. All organizations, by policy, were to be told by August 31, and the sporting groups are still waiting. I don't know if perhaps that's a piece of a policy change or something from an audit perspective, but we're wondering why there are such significant delays. There were also delays in the arts and cultural funding announcements that were supposed to go out on July 31. I think this year it went out in September.

So if that information could also be accessed — why there are such significant delays in organizations that have applied for community gaming grants, why they have not yet heard.

Hon. D. Eby: I'm afraid I just don't have that information for the member.

C. Oakes: Would the Attorney General also be willing, though, to provide that information in the other information he is accessing?

Hon. D. Eby: Absolutely, I will. But in the interest of red-tape reduction, I might suggest that the member go directly, as well, to the Minister of Municipal Affairs and Housing, or ask her staff to reach out to the minister's staff. It sounds like she has a number of questions about the program. Because, essentially, what I'm doing is getting the information from the Minister of Municipal Affairs and Housing and then passing it through to the member. So if she has additional questions, if she wants to get into detail, I'm sure that staff would be glad to arrange it.

M. Lee: Well, I'd like to join the member for Cariboo North in supporting her amendment to this bill. This amendment to the Gaming Control Act would propose a new section….

The Chair: Yes, and Member, you're speaking on the amendment.

[3:40 p.m.]

M. Lee: I am, to 14.7. The amendment has been moved, so now I'm speaking in favour of the amendment.

When we look at revenue-sharing of gaming revenue…. I mentioned earlier that in the 1980s under a previous Premier, Bill Bennett, there was a real recognition of the importance of gaming revenue to communities and that those gaming revenues ought to be shared with arts and cultural organizations, sports and other social infrastructure in our communities around the province directly and not at the behest of government through general revenue.

The Attorney General just mentioned more recent history. But when we talk about history in this House, I think it's important that we all understand the history. In the 1990s, there were issues around gaming revenues with the previous NDP government — Bingogate, as it was known — concerns about the funneling of money through various charities and kickbacks. Criminal charges were laid.

This is when, of course, we talk about ensuring integrity in the way that gaming revenue is provided to community organizations in this province — that there's a level of stability. I appreciate when the Attorney General says that we have to have confidence in how gaming revenues are shared. Absolutely. That's the purpose of this amendment.

This amendment ensures what has been confirmed at this committee level. There's been a stable level of funding available to the community gaming program. That's been at the 10 percent level. It has ranged between $134 million to $139 million over the last four fiscal years. And there will be no impact on that program by this other arrangement with First Nations.

We are just trying to ensure that, through this amendment, we're saying to communities around this province that that important community gaming program will

continue, with a minimum percentage commitment from our government. Again, for the reasons that the member for Cariboo North indicated at length, both in her second reading speech and just now at committee stage, there is tremendous need, and there is tremendous concern as a result.

Communities that are not just rural parts of our province but other parts of our province really depend on the ability to access gaming funds to support their organizations. We know, with the economic pressures — the increased taxes, the uncertainty in the forestry industry and other industries resource-wise and others in this province — that there is downward pressure. There is downward pressure on giving.

Individuals who want to support our community organizations and our communities for good intention have less disposable income to do that. The trend lines are coming down on that. So we need to ensure, as a government, that we continue to support these organizations, the not-for-profit organizations that have to fill in the gaps.

I certainly believe that government can't do everything. We need community organizations that can respond to local needs. They're best situated to do that. Government has a part to support that. We can't do it on our own. We need that partnership. That's why, through the community gaming grant program, it's been a vital program of funding.

I believe, with other colleagues on this side of the House, that there's a great need to ensure that we demonstrate that level of commitment to community organizations all over this province by setting a minimum percentage of the same term — the actual net income of the Lottery Corp. on an annual basis. This amendment would propose that that would be set by regulation and the reg-making power under subsection 41(1) of the act and that we begin with that minimum commitment in the upcoming financial year of government, recognizing that, under the interim agreement, the revenue-sharing as a commitment to First Nations has already been underway.

[3:45 p.m.]

The two streams can run side by side — 7 percent, in the first case, for First Nations and a minimum percentage to be set and confirmed under this amendment. For discussion purposes, we've been talking about it at the 10 percent level. That would be the expectation, if not more.

We need to ensure, with the changes in the program and what members on this side of the House are seeing in their communities…. There seems to be some difficulty in some of the organizations that have been depending on that funding, as the member for Cariboo North has been describing. There seems to be some change here.

Now, I appreciate the Attorney General has indicated that the Minister of Municipal Affairs and Housing will provide that information through her team, but it's in

that context that we want to ensure that we have that level of clarity and transparency and commitment. That's why we're proposing this amendment. Certainly, I'm supportive of this amendment, and I hope that all members of this House will consider this amendment in that spirit.

Point of Order

Hon. D. Eby: I'm glad to hear the member's comments. I think, really, any government would approach reducing gaming grant money extremely carefully. The impact of these grants, although small, is very significant for many, many, many community groups all across the province. That's why our government increased gaming grants by $5 million a year.

I note that simply because I can't help but wonder if this proposed amendment is out of order on a couple of fronts. One is that it's not related to the bill in front of the House, and the other is that it purports to put a financial obligation onto government. So I would ask for a decision from the Clerk on whether or not this amendment is in order.

I mean, that's assuming that the members want to go ahead with it, in light of repeated assurances that the gaming grants not only haven't decreased under our government but have actually increased, even though we've written down $30 million a year at B.C. Lottery Corp. because they're no longer taking bulk cash transactions from people involved in money laundering.

M. Lee: If I may, just for consideration by the Clerk and others here, this amendment that is being proposed has been on the order paper, given notice to all members of this House. By way of discussion, we have confirmed at this committee level that this would not be a new financial obligation to government. In fact, as confirmed by the Attorney General, it's been an existing, repeated, stable, steady level of commitment.

We are also not specifying what that number is. We're only saying, in concept, that the government, through this act, should set a minimum percentage, and that percentage would be determined by regulation. That regulation, of course, will confirm what level of funding has been made available by government on a consistent basis and clearly has been done so in this current budget year as well.

S. Chandra Herbert: I'd be interested in a ruling, but I'm happy to speak while you confer, to give you the time to see if there is a ruling on whether or not the amendment is in order.

I guess I rise to speak because it's interesting. There seems to be an attempt…. I think the member for Vancouver-Langara said: "There seems to be some change here." I think the member for Cariboo North talked about something that has happened that has meant that non-profits in her riding haven't got gaming grants, as if the government,

through some secret backdoor move, has deleted funds, when the actual fact is that $5 million has been increased in gaming grants.

I rise to speak to this because the only time we've seen some change to gaming grants in British Columbia, the kind of change that those members are trying to suggest we are doing, which is completely wrong, is when they were in government.

I was new to this House in 2009, 2010. The government of the day found that they had told the public they would have a balanced budget. They didn't, so then they went and raided charities to patch the hole that existed in the budget. This amendment seems to suggest that that's what's going on today, and that's not what's going on today.

[3:50 p.m.]

Their government was so vicious, in the sense that they even took money from charities that had multi-year contracts with government and that had already spent the money. There were charities that had spent the money to put on performances, to support youth, to do those kinds of things.

They were required by government rules to have a big logo of the province of B.C. They were required to thank the province of B.C. for the money. They put the money. They paid their artists. They paid their staff. Then they were told by government, by the former Liberal government, that, no, actually the money that they'd been promised, the money that was to pay the salaries of those people who'd already done the job, wasn't coming, that, in fact, the government was going to renege, break its commitment to fund charities.

The only time that happened was under the B.C. Liberals. So for them to suggest there's some change going on here when, in fact, we've increased the gaming budget by $5 million to go to charities and non-profits…. It doesn't add up. I could use stronger language, but I'm trying to be warm and friendly, because today is a good day.

It was wrong. It hurt people. It caused non-profits to shut their doors, to lose their ability to serve their communities. I know of arts councils, for example, that were forced to fire all their staff because of what the Liberal government did.

Gaming grants matter. The only time in our province where a government didn't think they mattered was when those people were on this side of the floor. I remember the former Premier of the day saying there…. This is a quote. He was on the radio. When asked why he was tearing up contracts with non-profit charities, he said, "Well, there are commitments, and then there are commitments," seeming to suggest that a commitment to a charity was not a real commitment by the government.

Now, thankfully, people rose up. They spoke out in opposition, and they made it clear that gaming grants mattered. I think, in some small part, that it led to the loss of that Premier, not to mention the HST and all the rest. There was some small move under the next Premier to try and repair some of the damage they'd done to non-profits by putting a bit of the money back, but fundamentally, they didn't do much else. I think they realized that you can't go after non-profits and charities in this way, and I'm glad they realized that.

Our government recognizes that very strongly. That's why we increased the budget for gaming grants to communities. That's why more people are getting more money from gaming grants in this province today. But this legislation, fundamentally, is not about non-profits and charities. It's about First Nations communities getting access to gaming grant funds that they should have been getting a long time ago.

I'm not sure if this amendment is in order. I understand the spirit of it, but I just find that the argument in support of it is false. There's been no reduction in gaming grants. There's been no move to limit them going to charities. There has been no sum change here, as the member obliquely referred to. In fact, the opposite — the only change here has been the gaming grants going up, more money going out to communities and a stronger commitment to gaming grants in this province than we saw under the former government.

C. Oakes: I've sat in this House over the last few days, and people have heckled. They've said I've…. The member for Powell River–Sunshine Coast somehow alluded to the fact that I was lying. The member for Vancouver–West End said that what I am saying is somehow false. I would like this opportunity to read into *Hansard* the experiences of my constituents, what is happening now, the actual numbers. It is not false. It is happening in our communities, and it is wrong.

The member for Vancouver–West End talked about the Arts Council, so let's look at what the Quesnel arts council put in for. In 2018, they received $11,500. This year, they received $6,000. I mentioned the Quesnel Figure Skating Club. For years, they've received $28,000. This year, they received nothing.

The Baker Creek Enhancement Society: last year, $44,000; this year, nothing. And they're important. Their job is around…. They do work on wildfire mitigation and restoration and resilience. The Quesnel Women's Resource Centre: 2017, $122,000; under this NDP government, under this community gaming grant program, it is now down to $80,500.

[3:55 p.m.]

How about the Scouts? Let's see what the Scouts group got. In 2018, they received $7,700. This year they received $5,600. How about Quesnel Rotary? Last year, Quesnel Rotary received $32,235. This year, they received $20,000. How about

the Lions Club? The Lions do excellent work in supporting seniors in our community. Last year, $29,058; this year, 2019, they received $20,000. Victim services through the North Cariboo Métis healthy relationship program — cut, no funding.

I have a very difficult time…. I've got pages, and I would be happy to spend that time going through each of these organizations, because I have been tracking it.

To the members who say or suggest to my constituents, who I represent and who I proudly come and serve in this House…. To suggest for one moment that what I'm sharing with you in this House is false is wrong. It's absolutely wrong.

I appreciate the sincerity of the Attorney General for looking and finding and providing me the opportunity to get the answers that my constituents are asking for. If $5 million has, in fact, increased in the community gaming grants — and I know, through the financials, that it has — the constituents in my riding, who've been absolutely decimated by what has been happening in our community…. Where a fundamental value that states in the community gaming grant program that you are supposed to look at communities who are having significant impacts, the only impact I see in my community and for my volunteer organizations and my groups is a reduction in funds from the community gaming grant program.

forgive me if I have put forward an amendment to ensure that for my constituents and for my volunteer organizations, who have served for so many years, there is some sense that funds will be kept whole and that organizations in our community — and communities across British Columbia — who work tirelessly to volunteer, whether it's sports, arts, public safety, environment, know that they can trust this government to ensure that those funds will remain. That will ensure that through this piece of amendment, financially, they will know that they can count on this government and future governments to make sure that the community gaming grant funds will be kept whole.

The Chair: The House will recess for about five minutes.

The committee recessed from 3:58 p.m. to 4:14 p.m.

[J. Isaacs in the chair.]

Point of Order
(Chair's Ruling)

The Chair: In response to the point of order raised by the Attorney General, I've examined the section 2 proposed by the member for Cariboo North.

[4:15 p.m.]

The amendment to section 2 proposed by the member for Cariboo North appropriates a portion of the income of the Lottery Corp. for community grants in accordance with part 6 of the Gaming Control Act. Bill 36 provides for the sharing of annual provincial gaming revenue with the B.C. First Nations Gaming Revenue Sharing Limited Partnership.

In my opinion, in the opinion of the Chair, the proposed amendment exceeds the scope of Bill 36. Additionally, the amendment contravenes Standing Order 67, which requires a message from the Lieutenant-Governor for any resolution for the appropriation of any part of the public revenue for any purpose. The amendment is therefore ruled out of order.

Debate Continued

Amendment ruled out of order.

S. Chandra Herbert: I certainly didn't mean to, in any way, suggest that community organizations in the member for Cariboo North's community may have had, in some cases, a decline in gaming grant revenue. Some years it's up, and some years it's down. I know that's really a tough struggle for charities. I've worked in them, and I understand that.

I think what I'm trying to suggest…. I double-checked the math here, and it may be helpful for the member. She can probably pass this on to the community groups in her neighbourhood. In Quesnel, in specific, the numbers that I've got suggest that in 2016-2017, Quesnel itself — the community non-profits there — received about $515,000, give or take, in gaming grants. That's in the BCLC report that was provided to council. It's on the web. It's easily accessible.

However, 2017-2018 saw about a $100,000 boost to community charities in her community through BCLC gaming grants. In fact, instead of seeing a decline, we saw about $100,000 more go into Quesnel than under the last year of the previous government. Now, to say what will happen in 2020, when they release the report…. We haven't seen it, obviously. I haven't seen it. It will be released publicly in April.

I want to clarify that it wasn't to suggest…. Certain non-profits may have seen a change in their funding levels, as has happened in my own community. Some have got more. Some have got less. And in fact, in the entirety, more have got more than some have got less. The numbers have gone up, and $100,000 more into the community of Quesnel is, I think, something that should be celebrated as opposed to suggesting there's less money going in than there was before.

Sections 2 and 3 approved.

Title approved.

Hon. D. Eby: I move the committee rise and report the bill complete without amendment.

Motion approved.

The committee rose at 4:18 p.m.

The House resumed; Mr. Speaker in the chair.

[4:20 p.m. - 4:30 p.m.]

d) *Third Reading*

British Columbia, *Official Report of Debates of the Legislative Assembly (Hansard)*, 41st Parl, 4th Sess, Issue No 281, (24 October 2019) at 10251, online: <https://www.leg.bc.ca/documents-data/debate-transcripts/41st-parliament/4th-session/20191024pm-Hansard-n281#bill36-C>.

Report and
Third Reading of Bills

BILL 36 — GAMING CONTROL
AMENDMENT ACT, 2019

Bill 36, Gaming Control Amendment Act, 2019, reported complete without amendment, read a third time and passed on the following division:

YEAS — 72

Chouhan	Kahlon	Begg
Brar	Heyman	Donaldson
Mungall	Bains	Beare
Chen	Popham	Trevena
Chow	Kang	Simons
D'Eith	Sims	Ma
Elmore	Dean	Routledge
Singh	Leonard	Darcy
Simpson	Robinson	Farnworth
Horgan	James	Eby
Dix	Ralston	Mark

Fleming	Conroy	Fraser
Chandra Herbert	Rice	Malcolmson
Furstenau	Weaver	Olsen
Glumac	Cadieux	de Jong
Polak	Lee	Stone
Coleman	Wat	Thornthwaite
Paton	Ashton	Martin
Davies	Kyllo	Sullivan
Morris	Stilwell	Oakes
Johal	Rustad	Milobar
Shypitka	Hunt	Tegart
Stewart	Sultan	Gibson
Isaacs	Thomson	Larson

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