

tion working with prisoners. He was elected to the provincial legislature in 1960 and was appointed Leader of the Opposition in 1969. He is the first member of the Jewish faith to serve as the Premier of a province. British Columbia is a resource-rich province with 2,291,000 people and a generally salubrious climate. Its gross product rose 11 per cent in 1972 to \$12 billion and Robert Williams, Minister of Natural Resources, has said that the province's great natural wealth will "allow us to develop any social programs we want — almost, I suspect, to the point where the only limit might be our own imagination." The province is the most highly unionized in Canada.

Since taking office the NDP has moved in many directions. It has organized a massive state insurance program, The Insurance Corporation of British Columbia, which began operations in March and is the largest insurance company in Canada. No-fault insurance is now issued with the driver's license and the government also sells other forms of insurance in competition with private firms. The size of the ICBC gives it leverage in influencing the economy since its capital can be invested in other government operations and in new private-public investment ventures.

British Columbia now has the highest minimum wage in the world, \$2.50 an hour. Under its income plan, every person over sixty receives an income of up to \$209 a month — couples up to \$418.

The government has frozen agricultural land sales and a five-person commission has virtually

absolute power to zone areas for agriculture, greenbelts, parks and other public uses without compensating owners for lost profits. It also has the power to purchase land for leasing to family farmers and to acquire urban land for residential construction.

The province's public utility commission has been replaced with a seven-person commission which has powers which reflect the energy crisis — it can license gas stations and other businesses in the energy field, it can fix wholesale and retail gas prices and it can prohibit the use of trading stamps and marked-down merchandise as customer lures.

The British Columbia Development Corporation has been set up with \$25 million in capital and the power to lend money and to acquire, develop and sell industrial property and buildings. Its announced purpose is to "develop secondary industry" so that the province will be less dependent on its resource industries.

Premier Barrett is in his own view "not hung up on ideology." He recently told an interviewer that "I believe in the potential of the people, not some abstract principle. There is a better way of doing things based on trust. I firmly believe that the people can have power and that it can be achieved democratically."

This article was written by Tom Kelly, a Washington journalist who has covered national and international politics for twenty years.

A Break for the Taxpayer And a Problem for the Public Service

In 1974 most Canadians will pay lower taxes — which is good news — and federal revenues will be cut by some \$400 million — which is not.

The tax drop is the result of a new system called "Indexing", designed to prevent inflation from raising a worker's taxes without hiking his real income. Under the plan, first proposed by Conservative Leader Robert Stanfield, the income tax brackets will be raised annually — for example, in 1974 tax exemptions will be raised by 6.6 per cent. The basic exemption for a married person will rise from \$1400 to \$1492; for each dependent child under sixteen, from \$300 to \$320.

The plan, though a clear move toward equity, has obvious drawbacks since it will affect both federal and provincial government income directly and severely. The provinces anticipate an estimated \$100 million cut in revenue.

Québec, which levies its own income taxes, will

be under pressure to follow the exemption-raising pattern set in Ottawa.

Nevertheless, for millions of Canadian taxpayers, the immediate effect will be pleasant. Here is the way five families will benefit — each assumed to consist of man, wife and two dependent children:

Income	Tax in 1973	Tax in 1974
\$ 8,000	\$ 920	\$ 847
\$12,000	\$2,129	\$2,023
\$15,000	\$3,145	\$3,016
\$20,000	\$5,198	\$4,970
\$30,000	\$9,699	\$9,378