

## Legislative Assembly of Alberta

**Title: Wednesday, May 3, 2006**

**8:00 p.m.**

Date: 06/05/03

head: **Committee of Supply**

[Mr. Marz in the chair]

**The Chair:** I'd like to call the Committee of Supply to order.

head: **Main Estimates 2006-07**

**Justice**

**The Chair:** The hon. Minister of Justice and Attorney General.

**Mr. Stevens:** Thank you, Mr. Chairman. It's my pleasure to rise this evening to present the budget estimates for Alberta Justice and the Attorney General.

Before I begin, however, I wish to introduce members of the executive management committee and senior officials who are attending here tonight. These are folks who in the area of justice make the government look good, make the ministry look good, and, as a result of all of that, make me look good. My eyesight is such that you all look the same from down here, but I'm pretty sure that these are the folks that are there: Terry Matchett, deputy minister; Nolan Steed, assistant deputy minister of legal services; Ken Tjosvold, assistant deputy minister of criminal justice; Gerald Lamoureux, executive director, court services, planning and business services; Dan Mercer, assistant deputy minister of strategic services; Shawkat Sabur, senior financial officer; Sylvia Church, manager of business planning in strategic services; Manuel da Costa, executive director of the maintenance enforcement program; Sharon Lepetich, senior adviser to the deputy minister; and Mark Cooper, who is director of communications. Also from my office are Andrea Hennig and Jeremy Chorney.

Before I make my comments, I thought that I should say to the hon. members opposite that the hockey game is on. You do have an opportunity to listen to my comments and accept that what I have to say is correct and cut the estimates short by about two periods. We can take a little adjournment between, say, 8:20 and 10 o'clock, watch a little hockey, come back and do some legislation. What's important: you have to listen up to what I say here so that you know that I'm answering all of your questions in my initial comments. [interjections] Only with the consent of the opposition. We wouldn't want to be accused of being oppressive here.

The business plan guides the overall direction and sets the goals for the ministry on how to meet our vision and mission. Our vision: "A fair and safe society supported by a trusted justice system." Our mission is

to protect the rights of all individuals in Alberta and advance the interests of society by fostering:

- Safe communities
- Access to justice
- Respect for the law
- Understanding of and confidence in the justice system
- The legal foundation for social cohesion and economic prosperity.

The budget supports the direction laid out in the business plan by funding initiatives that meet our goals. Briefly, the five goals of the ministry are as follows. Goal 1 is to "promote safe communities in Alberta." Goal 2 is to "promote a fair and accessible civil and criminal justice system." Goal 3 is to "provide access to justice services for Albertans in need." Goal 4 is to "improve [knowledge] of and confidence in the justice system." Goal 5 is to "assist

government ministries to achieve their objectives through provision of effective legal and related strategic services."

Alberta Justice has identified a fair and accessible civil and criminal justice system as one of its goals. Our objective is to make using the justice system easier, more understandable, and more user friendly for Albertans when they need it. We also must ensure that the system is working effectively. A growing population and economy in our province have placed increased demands on the justice system. I'm pleased that the department is slated to receive an increase in its budget this year to respond to those demands.

The Alberta Justice and Attorney General budget to be voted on for the 2006-2007 fiscal year is \$342 million, an increase of \$56 million, or 19.6 per cent, over the 2005-2006 forecast. Of this, \$35 million is for program expenses, and \$21 million is for capital investment. This new funding will make communities safer and give Albertans quicker, easier access to the justice system. Some of this new funding is aimed at shortening lead times to trial and responding to an anticipated rise in cases due to an increase in police resources.

I'll begin this evening by providing you with some highlights of initiatives we are undertaking this year with the new funding we have been allocated in this budget. You'll see how these link to our goals in the business plan, and I'd be pleased to address any questions you may have at the appropriate time.

I'll begin with initiatives that come under our court services division. The overall purpose of court services is to promote fair and equitable access to the justice system for all Albertans, which aligns with goal 2 in our business plan. This year's budget for the division is \$143.9 million, which is an increase of \$10.2 million, or 7.6 per cent, over the past year.

The government's commitment to safer communities resulted in Budget 2005 funding that added nearly 200 police officers through the Department of Solicitor General and Public Security. These officers are fighting organized crime, Internet crime, illicit drugs, and child exploitation as well as providing additional policing for rural Alberta. Increased policing increases demand on the courts. Alberta's Provincial Court is experiencing significant workload pressures, and lead times continue to rise in some locations of the province. Because of the increased complexity of the cases before the court, trials are taking longer, which adds to the backlog of cases.

The average number of trials scheduled has also increased dramatically in some parts of the province. Compared to February 2005, the average number of trials scheduled has increased by 6.4 per cent province-wide. In communities in the Calgary area the increase is 36.9 per cent, and the regional courts have increased by 19.6 per cent. More judges and court staff are needed to help ease these pressures.

Mr. Chairman, \$4.9 million will go towards appointing six additional Provincial Court judges, hiring their 18 support staff as well as hiring 34 front-line court staff across Alberta. This will improve lead times, handle an increasing workload, and provide improved services to the public and the judiciary. Front-line court staff will help alleviate current pressures in Alberta's courts. These positions are required to maintain adequate courtroom and counter service levels to the public and the judiciary. This funding will allow the courts to operate more effectively and provide Albertans with improved service.

One of the key initiatives this budget supports is new funding for family justice services. In 2006-2007 \$1.4 million has been allocated to expand services to families going through breakup. The first step of the family justice strategy was the proclamation of the Family Law Act last fall. The Family Law Act is part of a larger strategy to encourage people to resolve family problems in a more constructive way. The new funding for family justice services will

support that strategy by providing more dollars for things such as information and assistance to help people through the court process, mediation to help with parenting issues, education sessions about communicating and parenting after separation, and helping people get information and resolve child and spousal support disputes. These services help families understand and resolve issues and disputes relating to coparenting and child and spousal support.

The goal is to be supportive of individual family needs and promote collaboration between parents so that they take into consideration the best interests of their children. The breakup of a family is obviously a very difficult time for everyone involved. By improving access to these services, handling the necessary legal process will be easier, faster, and less confusing.

In 2006-2007 about 20 new staff will be hired in regions of the province where in the past services have been more limited. The new funding means that we can enhance our out-of-court dispute resolution services, including family mediation. Mediation helps separated parents come to an agreement regarding the parenting of their children in a less confrontational manner than appearing in court. We've had a great deal of success using these approaches in projects throughout the province.

The new funding will also allow us to strengthen existing services and expand them to other communities in the province. Mediation services continue to be expanded to reduce travel and wait time for those who want this service. In 2005-2006 we hired five family court counsellors across the province, and in 2006-2007 we're hiring two more, one in Hinton and one in High Prairie. We've also hired four additional staff to prepare court orders so that people in Provincial Court receive their orders on the same day. We'll be hiring four more staff for that purpose in this year.

#### **8:10**

The case-flow conference program expanded to Calgary in April, where two case-flow conference co-ordinators will be hired. The program provides an alternative to a docket appearance before a judge in Provincial Court when an applicant files a claim for a parenting order, a guardianship order, a contract order, or an order to enforce time with a child under the Family Law Act. Since October 2001 a pilot project in Edmonton Provincial Court has reduced docket appearances in family court by 58 per cent. When the applicant does not have a lawyer, cases are automatically referred to the case-flow conference program. The case-flow conference provides an opportunity for discussion of the issues in a private, less formal atmosphere than a courtroom. Parties are provided information regarding resources available to assist them in resolving their dispute, or alternatively claims may be finalized if the parties are consenting to the terms of orders.

More staff has also been hired for the Family Law Information Centre to assist with child support calculations and to provide self-help booklets and other legal information for self-represented and unrepresented litigants. The majority of these positions will be in rural Alberta, where this service has not been available in the past.

Another service for families going through breakup is the parenting after separation seminar. These seminars, that provide information to parents who are breaking up, are being expanded to more Alberta communities. As access to family justice services is improved, the time and cost to families in reaching a resolution to their issues is reduced, and that makes the justice system better.

The number of self-represented and unrepresented litigants in Alberta courts is increasing, most commonly in family and civil claims court matters. Self-represented and unrepresented litigants have a significant impact on the day-to-day operations of the courts. They often do not have enough knowledge to adequately represent

themselves in court. As a result judges and court staff spend time assisting self-represented litigants, which is an inefficient use of the court's time. To provide services and information for self-represented and unrepresented litigants, \$720,000 has been added to this year's budget.

The civil mediation program will receive \$871,000 to expand services to more communities outside Calgary and Edmonton. This program complements existing dispute resolution process, including the traditional court process. Mediation works, whether it's for family law or civil law matters. It gives people with disputes a way to work out a solution for themselves. Increased mediation means that more civil disputes can potentially be resolved without going to court, and that means that judicial and legal resources can be used where they are most needed.

Jurors play an essential role in the justice system and maintaining safe communities in Alberta. Albertans make a necessary and valuable contribution to our justice system by agreeing to appear and serve as jurors. To compensate Albertans for some of the wages they may lose by sitting on a jury, \$280,000 has been allocated to increase the daily fees and expenses paid to the jurors.

The major information systems that support the Alberta courts and prosecution service are dated and need to be upgraded to meet the standards and needs of court administrators, Crown prosecutors, the judiciary, and ultimately our public. One million has been allocated to identify the business requirements, including the business case and strategy for development of a comprehensive information management system. It's a multi-year project that will require additional funding as we move forward with this important initiative. This system will increase the efficiency of the court process and enhance the service provided to Albertans.

I now move to the criminal justice area of the ministry. The overall purpose of the criminal justice division is to promote safe communities in Alberta by effectively conducting criminal prosecutions and striving for just outcomes, which aligns with goal 1 of our business plan. This year's budget for criminal justice is \$50.1 million, 6.4 million of which is in new funding. A priority for Alberta Justice is a fair and accessible criminal justice system. It makes sense that a functioning justice system should have adequate resources to do the job.

Mr. Chairman, the 2003 national statistics show that Alberta has the second highest prosecutorial caseload in the country at 358 cases per prosecutor. In 2005 the Alberta government committed to safer communities through the greatest single-year increase in rural and organized crime policing that this province has seen in 20 years. Additional Crown prosecutors and support staff are required to effectively prosecute charges generated by additional police officers on our streets. I'm pleased that Alberta Justice will be adding to the prosecution service significantly this year with 20 prosecutors and 22 support staff. Many of the prosecutors will specialize in areas such as family violence, child exploitation, organized crime, and economic crime. There will be five new family violence prosecutors, four new prosecutors in the integrated child exploitation unit, also known as ICE, four new prosecutors in the integrated response to organized crime, also known as IROC, one new prosecutor in the integrated market enforcement team, also known as IMET, and one prosecutor in the Alberta relationship threat assessment and management initiative, also known as ARTAMI, as well as general prosecutors.

Organized crime and Internet crime are increasing in Alberta. For example, in 2000 Alberta had three Internet child pornography cases before the courts. There are now about 90. Successful organized crime and cybercrime prosecutions depend on prosecutors being knowledgeable and available to work with police at an early stage in

the investigation. Cases are increasingly complex and require specialized knowledge and a consistent approach to prosecute effectively.

In 2005 Edmonton experienced 38 homicides. This was almost double the 1999 to 2005 average of about 22 homicides per year. Many of these homicides arise from organized crime and drug-related activity. Organized crime is heavily involved in identity theft and mortgage fraud, two of the fastest growing types of economic crime in Canada. A recent *W-Five* documentary referred to Alberta, unfortunately, as the mortgage fraud capital of Canada. New police resources will assist in addressing these sophisticated crimes, and Justice will be there to assist the police in investigations and effectively prosecuting the resulting charges.

Sadly, Alberta continues to have an unacceptably high rate of family violence. Alberta Justice takes family violence very seriously and is committed to providing safe communities for all Albertans, and that includes freedom from violence within our homes. We need to provide victims and witnesses with services as soon as possible and protect them from further abuse. We also need to ensure appropriate sentencing of perpetrators to reduce the likelihood of them reoffending. Alberta Justice is involved in a number of initiatives to help combat family violence. For example, domestic violence courts have been opened in Edmonton, Calgary, Lethbridge, Red Deer, Medicine Hat, and most recently Fort McMurray. These courts allow for charges to be dealt with quickly by dedicated prosecutors and provide the best opportunity to help victims and, where appropriate, direct offenders to court-ordered counselling.

In this year's budget we're allocating \$935,000 in new funding to hire Crown prosecutors and support staff who specialize in family violence. Domestic violence courts with specialized Crown prosecutors work with the provincial family violence treatment program framework. The framework is a cross-government initiative that's designed to provide co-ordinated and integrated assessment, treatment, rehabilitation, and follow-up services to victims and perpetrators of family violence. Linking government with community services improves our ability to deal with domestic violence cases more quickly and effectively. Albertans who are dealing with family violence need help, and they need it as soon as we can possibly provide it. I'm optimistic that this new funding will contribute to breaking the cycle of family violence and protect the safety and security of children, families, and our communities.

The Alberta relationship threat assessment and management initiative is intended to reduce and manage the risk in high-risk family violence and stalking cases, ultimately resulting in fewer stalking situations, injuries, and family violence related deaths in Alberta.

8:20

**The Chair:** The hon. Member for Edmonton-Glenora.

**Dr. B. Miller:** Thank you, Mr. Chairman. It's a privilege for me to stand up and respond in this budget discussion on the Department of Justice. I commend the hon. minister for the business plan, and I commend the department for a lot of good ideas. Funding increased by more than \$35 million from last year, an 11.2 per cent increase, and it seems like a lot of the money is going to really good ideas: family violence, more judges, more Crown prosecutors, and so on.

I'll follow the business plan with my remarks, starting with the first one: "promote safe communities in Alberta." I'm going to start with a topic which the hon. minister didn't mention, but it's covered in 1.2 under the strategies of goal 1; namely, having to do with traffic safety, improving road safety in Alberta. I read very carefully

the McDermid report, and the statistics are just simply staggering. The McDermid report was issued in June 2004. It states that "3,875 people died on Alberta roads between 1992 and 2002" and "traffic crashes take six times more lives than homicides." Despite all of our emphasis in terms of dealing with crime in our criminal justice system, it's just unbelievable the number of lives that are lost on our highways. "The societal cost of traffic collisions . . . is estimated at close to \$4.7 billion in 2002." So adding all of the costs together – health care costs, property losses – the economic cost to Canadians in general "is as high as \$25 billion a year."

After having met with stakeholders and having reviewed the Alberta government's approach and the basic best practices of other countries and provinces, the report focused on the fact that, in Mr. McDermid's opinion, there's a lack of overall leadership here in Alberta. We need a plan. We need some kind of cross-ministry initiative or delegating of responsibility to a single ministry. I guess my question to the minister is: what is the involvement of the Department of Justice in working with the other departments to carry this important, important topic along? Are there a lot of cross-ministry initiatives going on? The McDermid report listed a whole lot of things that could be done in terms of various committees that could be formed: a ministerial leadership committee, a deputy ministers' committee, a multisector advisory group, a single office for road safety, and so on. I don't know to what extent any of these things have been adopted.

It's interesting that the report also mentions the whole question of funding. We usually think that, well, you can't just throw money at everything. But, as a matter of fact, it gives an example of a state in Australia where there was a concerted effort to put money, a big chunk of money, \$20 million, into dealing with road safety, and it did make a difference. It really did make a difference. I think that's what Albertans are looking for here in this province. So that's the first point I want to make.

Now, going on to the very next point in the business plan, 1.3. In this point it's suggested that the ministry wants to "enhance the capacity of the Prosecution Service to align with increasing police resources to prosecute serious and violent crime to the fullest extent." While this is an admirable and needed goal, it seems to me that it's pointless if those charged and convicted with serious crimes like drug offences, violent crime, and especially child exploitation and abuse crime are being handed light sentences due to harsh conditions at the remand centres. I go back to the questions that I asked the hon. minister in this House some weeks ago, in particular 2 to 1 or 3 to 1 sentencing, as happened recently with a convicted heroin dealer. What is the minister going to do to get rid of this practice? I mean, it's a tremendous problem given the conditions at all the remand centres. I don't know what judges can do, but certainly something has to be done. I think it's a serious threat to the public safety of our communities if offenders who commit such serious crimes are coming back into the community much earlier than perhaps they should.

Now, moving on to the next point in the business plan – namely, focusing on the courts – the goal of promoting "a fair and accessible civil and criminal justice system." I think the last time I talked about this business plan, I spent a lot of time focusing on the fact that so much talk is focused on getting tough, having tougher sentencing, even though the evidence provided by criminologists seems to be conclusive that incarceration for the traditional reasons such as rehabilitation and deterrence simply doesn't work.

The current emphasis of the federal government and the Alberta government on increasing mandatory minimum penalties for violent crimes assumes that serious violent crimes are the result of rational calculation, weighing the costs and benefits of the crime: will I get

two years or five years or 10 years? As a matter of fact, as criminologists point out, most violent crimes arise out of conflictual and highly stressful situations and often involve a high use of alcohol and/or drugs. There's a recent American survey that was published in the paper just a few days ago that discovered that most people, including criminals, are pretty ignorant about the criminal justice system and what the penalties are for various crimes. So you can make laws tougher and sentences tougher, but if perceptions do not change, then deterrents simply won't work. In my philosophy and approach to crime it's preferable to invest most of our money in crime prevention, dealing with the social determinants of crime rather than more money into prisons, but that doesn't seem to be the way that this country is going.

I am impressed by the business plan of the Department of Justice because of its emphasis on alternative sentencing approaches, more approaches that deal with restorative justice. The hon. minister mentioned a number of examples of mediation programs, mediation programs with families, which is really, really important. I'm just looking at 2.3 of the business plan on page 295: "Develop, evaluate, improve and co-ordinate mediation and other dispute resolution initiatives." I think that's great. If we look at the estimates, 2.2.4 and 2.3.4 on page 332, we notice that Calgary civil mediation and Edmonton civil mediation show a slight increase from last year's forecast. Calgary received a \$40,000 increase, and Edmonton received \$40,000. Mind you, those budget items are small compared to a lot of the other budget items, and it raises the question of whether there is enough money going into mediation programs.

I had the privilege of meeting a young woman in Lethbridge and discussing the mediation program there that's sponsored through Queen's Bench. I understand that it's a pilot project. Certainly, a program like that saves money in terms of the courts because a lot of people have their problems dealt with through the use of a mediator and never have to get to court. I understand that the mediators are actually paid under contract with the clients, but there needs to be money to cover supervision and also support staff. I can't determine how much of the budget for the Lethbridge court is going to mediation. The hon. minister mentioned regional civil mediation and the tremendous increase there in terms of money, going from \$267,000 to \$748,000, and I think that's to be applauded because certainly we need to have people out in rural areas helping with mediation.

8:30

[Dr. Brown in the chair]

Now, just moving on to the next section, number 3: "Provide access to justice services for Albertans in need." There is a reference on 3.5: "In coordination with Seniors and Community Supports, review all submissions from the public and feedback from the stakeholder focus groups and draft a revised Dependent Adults Act." That's a process that's ongoing right now, I think, but I wonder: what is the involvement and what is the contribution of Alberta Justice to this process? The Dependent Adults Act deals with the important area of care for people whose illness or injury leaves them incapable of making their own decisions. The act covers the role of the public guardian and trustee, and it's extremely important.

I have a case in my riding. It's similar to the Terri Schiavo case in Florida. In this case a young wife suffered a stroke, leaving her in a comatose state and under the care of the public guardian. Her husband, who is many years older, has had many grievances about the way she is being cared for, but he's been frustrated time and time again because he doesn't know how he can have an impact on the situation. There is a lack of mechanisms through which he can

report what he considers to be abuse. Whether it is or not, he just doesn't know what to do. He could of course go to court, but he is not a wealthy man. He doesn't have much money. The only way he can challenge the authority of the public guardian seems to be through the courts. But, not having enough money, it doesn't provide an option for him.

This raises a serious issue about the Dependent Adults Act and other acts which are similar, such as the Powers of Attorney Act, the Mental Health Act, the Protection Against Family Violence Act, and Protection for Persons in Care Act. There are inadequate monitoring mechanisms in place to prevent or detect abuse, there are limited mechanisms for reporting abuse, and there are no clear guidelines with real clout for intervention where abuse is suspected. In most provinces appeals can be made to public authorities and there is an investigation and something is done, but here in Alberta the philosophy seems to be that the government should play a limited and minimalist role, leaving everything to the individual to do his or her own investigation and then take it to court and let the judge decide. Everything focuses on the individual making the complaint utilizing his or her own resources, rather than on the public responsibility, the public obligation to care for these people who obviously need our care.

I hope Alberta Justice is going to make a good contribution to revising the Dependent Adults Act and give it more clout, and maybe that'll lead to looking at all the other acts, too, that they would be coming up to a level which I think we need them at in terms of really having teeth so that investigations can really take place.

Let me mention one of those acts again and emphasize it: the Mental Health Act. This is Mental Health Week. I know that there's no mention of the Mental Health Act in the business plans of the Justice department, but really this week is Mental Health Week, and my heart goes out to men and women in our community who struggle with mental illness.

The relationship between crime and mental illness is quite challenging and complex. I have visited a man in prison who is there for a serious offence, who in my view clearly is suffering from mental illness. He has paranoia. He has illusions of grandeur. You only need to talk to him for a little while – I'm no psychiatrist – and you realize what kind of problems he has. But while in prison he has no treatment, and he will be out soon. So how is society protected when such a person comes out of prison without having any treatment for mental illness?

I have another constituent who did not actually harm anyone, but he threatened to do so because he wrote threatening letters. He ended up in Alberta Hospital for a number of years. Now he's living in the community, and he's placed under the burden of appearing on a regular basis for his medication, and he has to appear before a review board on a regular basis. The review board bases its judgment entirely on the advice of his psychiatrists. This young man has no relatives or no advocates who can speak on his behalf. I have read the transcripts of his coming before the review board. He does his best to defend himself, but the medication that he has to take has a debilitating effect on him, and he's not able to pursue a normal life. My heart goes out to him. He doesn't have anybody, a patient advocate, who can be there for him.

So I guess my question is to the Minister of Justice. I really applaud the effort to have so many special prosecutors focusing on things like family violence and the tremendous effort to focus on family violence in this province. That's really, really commendable. Then, all the other things that you mentioned. One could also talk about specialized drug courts, specialized mental health courts. To what extent are prosecutors and lawyers trained to deal with mental health?

Howard Sapers, who is a former MLA in this House and is now the ombudsman for prisoners in Ottawa, his last report stated that at least 15 per cent of inmates in our prisons are suffering from mental illness. I think that more emphasis has to go into this area of dealing with mental illness problems. There are lots of other points that I could raise, and maybe I can come back to them later if I can figure out where all my notes are.

Lastly, I just wanted mention that there's a fatality inquiry. There's a new fatality inquiry report on Kyle Young that's just out, a 96-page report with a whole series of recommendations. I appreciate on the website of the Ministry of Justice a very helpful answering of questions about fatality inquiries, what cases go before the Fatality Review Board, who calls a public fatality inquiry, what happens at a public fatality inquiry, and how one can obtain a report of a fatality inquiry. One question that's not mentioned there which I think is all important is: who follows up on the recommendations of a fatality inquiry?

[Mr. Marz in the chair]

The fatality inquiry reports go to the Minister of Justice. Is there a process of reporting of compliance with the recommendations? Is there an obligation of departments to report back to the Department of Justice on what they are doing to comply with recommendations? Would Alberta Justice – for example, in the case of the Kyle Young fatality inquiry – be prepared to work with the Solicitor General to make sure that some of those recommendations are carried out? I wasn't sure in terms of the actual department who handles fatality inquiries. Is that in the deputy minister's office? Is that under strategic studies? It's difficult from over here to figure out where everything is happening.

Those are some of the areas that I would like to explore and hear some response about, but in general I'm very pleased. I think that the government is channelling the funds into proper things that really need to be attended to.

One question – I think you alluded to it – in terms of wait times for trial. There are more Crown prosecutors. There are five new judges. Will this actually mean, then, that we can expect a shorter time between being charged and the first inquiry and then between the inquiry and the trial? Is the government planning to adopt some guidelines? Other provinces have adopted specific time guidelines, insisting that those time strictures be followed. It seems that Alberta is not quite willing to go that far, leaving it more open to the discretion of the judges working with the prosecutors and defence lawyers and so on. I wasn't clear exactly what the direction of Alberta Justice is on that.

Those are my questions for the moment. Thank you, Mr. Chairman.

8:40

**The Chair:** Before I recognize the hon. minister, I've been informed that the score in the game is 2-nothing for Anaheim.

**Mr. Stevens:** I'm going to fight back the tears to carry on this evening.

Thank you, hon. member, for your comments and your questions. I'll attempt to address many of them orally, but to the extent that I don't, we'll review the transcript and provide written response later, and that will be true of all hon. members who make comment and ask a question this evening.

I think that before I get into the questions per se, the speaking notes that I was provided with for this evening were more extensive than the first 20 minutes, so what I'm going to do is just start by

finishing off on that because there is some very good information here that I think that you will appreciate hearing. I left off describing in very general terms ARTAMI.

ARTAMI is one of only two such initiatives in Canada. The other is part of the Ontario Provincial Police service, where there hasn't been a single domestic violence related fatality in cases referred to that unit in the 11 years that it's been operational, so the statistics are fabulous. These efforts demonstrate that intervention can make a real difference in preventing domestic violence fatalities.

Here in Alberta ARTAMI will use a collaborative and co-ordinated team approach, with police, Crown prosecutors, a family law lawyer, and mental health experts working together to add a dimension of threat assessment expertise. ARTAMI will assess threats, manage victim safety, and implement suspect mitigation strategies.

This year ARTAMI will be funded with \$300,000 from the Justice budget and \$1.7 million from Solicitor General and Public Security. This \$2 million will help to better co-ordinate police, legal, mental health, and other experts in assessing threats, managing victim safety, and finding ways to prevent family violence and stalking-related deaths. Mr. Chairman, I'm confident that the new additions to the prosecution service will advance the government's goal of promoting safer communities.

The civil law branch of the ministry provides effective legal and related services to government and other ministries, which aligns with goal 5 in the business plan, and the budget for civil law is almost \$25.4 million for this year. Civil lawyers in the department provide the important role of giving advice and representing the government on a wide range of issues. They assist in drafting government public bills, provide advice on matters ranging from legislative policy to the Constitution to aboriginal law. They provide legal services to all government ministries on matters before the courts and tribunals.

Alberta Justice helps to provide for another important service to Albertans, and that is the support for legal aid. This year's budget to support legal aid is \$43.2 million, which is an increase from the past year of more than \$12 million. The increase in funding will help legal aid address many of the funding pressures it currently faces from increased demand and increased operating costs. Providing a service and access to justice for people who need legal aid is crucial work. Legal aid is not free, not for the client and not for us. With increased case complexity legal aid is getting more costly to provide.

In addition to my ministry's increased funding for legal aid, more federal funding for legal aid is necessary. Justice ministers across the country have requested that the federal government come to the table with substantial new dollars for legal aid.

Mr. Chairman, I'd now like to turn to this year's budget for staff in the Department of Justice. Alberta Justice is a manpower department, employing many highly trained individuals. The services Justice provides are heavily dependent on the knowledge and skills of its staff. The Department of Justice prosecutors, lawyers, trust officers, court staff, and maintenance enforcement program staff are important to the functioning of the justice system. Justice used about 68 per cent of its ministry budget on staffing in 2004-2005. By way of comparison, the percentage of the budget used for manpower in a department like Infrastructure and Transportation is relatively small, at 3.6 per cent for the same year, because the bulk of its money funds building projects. Last year Justice had the third-largest number of staff within government departments. This year it will rely on its 2,506 employees to provide services directly to Albertans. This means that Justice is disproportionately

affected by salary increases. In this budget there is a \$7.6 million increase from across-the-board salary, benefits, and settlements.

Funding of \$22.8 million has also been allocated to address the ministry's capital requirements in the year 2006-2007 budget. The majority of this funding, \$18.9 million, will be used to install the technical infrastructure and equipment needed in the Calgary Courts Centre to provide electronic evidence, including video, audio, and computer.

Each courtroom will have one of four levels of technology. All courtrooms will have standard technology, including digital recording, audio amplification, internet connections, and assistive listening devices. In addition to the standard courtroom technology, some courtrooms will be equipped with video conferencing technology. Ten mobile digital presentation technology carts will be shared between the courtrooms. These carts contain a document camera, DVD/VCR player, and video and audio input from the presenter's computer. Finally, some courtrooms, including the large trial and high-security courtrooms, will have a permanent technology cart installed.

By establishing four levels of technology for the courtrooms in Calgary, we'll be meeting the technological needs of court users while minimizing the related costs to taxpayers. Additionally, the courthouse will be wired so that expansion of technology in courtrooms can be accommodated as demand increases.

Other capital investments in the 2006-2007 budget include \$800,000 for the maintenance enforcement program to enhance its management information system and to upgrade its telecommunication system, \$700,000 to replace the Public Trustee information system, \$400,000 for software system redevelopment in the motor vehicle, accidents claims, personal injury claims program, and \$200,000 to replace obsolete lab equipment for the medical examiner.

Those, Mr. Chairman, are the comments that I wish to make with respect to the budget of Alberta Justice and Attorney General. I must say that I feel very good about the budget this year and some of the important pressures that we will be able to address in a very meaningful fashion.

What I'd like to now do is address some of the questions that the hon. member asked in his comments on the budget. With respect to the fatality inquiry process, the Justice department is responsible for the fatality inquiry process. That is why the reports come to the Ministry of Justice, whereas in fact from a program perspective, I would say that for the most part the Ministry of Justice is not the ministry that is directly impacted by it. So, for example, in the report that was referred to by the hon. member, I believe the Infrastructure and Transportation, the Municipal Affairs, and the Solicitor General departments are all impacted in one way or another by the recommendations. The Ministry of Justice and Attorney General does not follow up with these other ministries to ensure that they follow and implement the recommendations.

I can tell you that as a matter of government policy we do take these matters seriously, and as a general rule, the recommendations are reviewed and followed up on. That is the general rule. If you have specific questions with respect to a particular inquiry and whether or not the recommendations had been followed up, I'd recommend that you address those concerns to the ministry that was responsible for them. I'm reasonably satisfied that you'll find out that they have been responded to or are in the process of being responded to for the most part. Obviously, sometimes it's a matter of resources, and if it's a matter of resources, it may take longer. That is the general approach that we have in government relative to fatality inquiry reports. We do take them very seriously. The whole point of it is to ensure that we as a society learn something about the

tragic death that is the subject of the inquiry. If we don't take the recommendations seriously, then we fail as a society in trying to avoid similar deaths going forward.

8:50

Questions were asked by the Member for Edmonton-Glenora with respect to the study and work relating to a revised Dependent Adults Act. That is a joint initiative between the Ministry of Justice and the Minister of Seniors and Community Supports. There is a study ongoing at this time that is chaired by the hon. Member for Calgary-Shaw, and I believe that later this year there should be a report that is available to my ministry and the Minister of Seniors and Community Supports relative to the recommendations arising out of that.

The Dependent Adults Act is actually an act that is under the responsibility of the minister of seniors. So our involvement in Justice would be to supply support with respect to this because we have some expertise in legislation and whatnot. We are also responsible for the Public Trustee, and there's a Public Trustee component. There may be some other aspect of it that we're responsible for, but in my own estimation, the Minister of Seniors and Community Supports and her department have a larger interest in the legislation and the recommendations. It's not that we are not involved; we are very much involved, but I consider the lead ministry, in truth, to be the other ministry and not ours.

The Mental Health Act. You're quite right, hon. member, that mental health issues are serious issues in society, serious issues in our justice system. But the Ministry of Justice is responsible for a segment of the justice system. We're responsible for the prosecution. The Solicitor General is responsible for the investigations. The Solicitor General is responsible for the incarceration and what follows, and questions relative to those aspects of it should be put to that department. I understand that the estimates of the Solicitor General will be up tomorrow for consideration.

**Mr. Cenaiko:** We work in a partnership, Ron.

**Mr. Stevens:** We do work in a partnership, as the hon. minister has just pointed out to me. We do try to be seamless. We do try to support one another. But the fact of the matter is that in an operational way there are things that are within our responsibility and purview, and we deal with those. Some of the comments that the hon. member has made certainly belong within the justice system, but they aren't necessarily matters for which this minister is responsible.

The hon. member started with comments regarding road safety. There is a cross-ministry initiative between the Solicitor General, the Minister of Infrastructure and Transportation, and the Minister of Justice relative to the McDermid report. You're quite right. This is a serious matter within Alberta. In fact, we have been meeting relative to this, and there will be some developments that I'm sure you will hear about in the weeks ahead. The role of Justice, apart from being a support role, really comes in the prosecutions relative to highway safety matters and to provide support. Once again, this is an area where much of the upfront work would be done through the other two ministries, with the Ministry of Justice, in large measure, being the prosecutor in the piece.

The Member for Edmonton-Glenora then moved on to talking about remand issues and the 2 for 1 rule. Just for those who are listening, the 2 for 1 rule effectively is that when a sentence is made in a criminal case, the judge will often give credit, 2 for 1, for time spent in remand. For example, if someone spends three months in remand and the sentence would otherwise be two and a half years, the actual sentence is two years. The hon. member says: well, that

gives rise to light sentences. In a fashion it does, but I would point out that in Alberta it's typically 2 for 1 that you experience. This is not a condition unique to Alberta. It's across the country. There has been a dramatic growth in the number of people spending time in remand. That has resulted in this particular approach by the courts in giving this credit.

The issue with respect to public safety, however, I would point out rests, in my opinion, more in the parole end of it than it does at the beginning. In other words, someone who gets three months' credit in the example that I gave and who has, in fact, a two-year sentence likely will spend some fraction of that time in jail as a result of the parole rules. While I'm not familiar with those because they are also handled by the Solicitor General, it would be something like 40 per cent of the time would be spent in prison in that type of situation, 60 per cent of the time in the community if, in fact, there are no extenuating circumstances to keep the accused in.

The reality is that the way our system works is that, except in the most heinous of crimes where there are life sentences, people have an opportunity to get out of the prison system as a result of the parole rules which allow for relatively early release. That certainly would be relatively early release in the minds of the public who, candidly, don't understand very well how that part of our justice system works. But I don't think, if one wanted to debate the issue, that the real problem relative to keeping people off the streets is in the upfront sentencing as it relates to the 2 for 1 rule on time in remand; rather it would be more arguably at the other end as a result of the parole rules.

The hon. member mentioned some comments about fair and accessible criminal justice system principles. I think that essentially you were saying, hon. member, that in your estimation it would be preferable to treat the cause of the crime rather than the way that we deal with it, which is to incarcerate. There are a number of reasons to incarcerate. One is retribution; one is denunciation. In my estimation, those are significant and valid reasons for people to be put in jail.

We look at safe communities as one of our strong principles and the perception of our communities to ensure that they remain safe. I would suspect that something like 5 per cent of the population or less are responsible for the crimes that are committed in our society, and 95 per cent of the population truly are law-abiding people who have a perception with respect to how safe our communities are based on how we deal with the prosecution and incarceration of people who ought to in fact be incarcerated.

That is why we have been urging the federal government for some time to change the rules with respect to conditional sentencing. People read the cases on a daily basis in our papers, hear about them in our radio and TV reports, and the conclusion that they often come to is that people who do serious crime don't do serious time because conditional sentencing clicks in and people go home and watch television, albeit under certain conditions, but the fact is that they don't do time. That is more of a problem with the perception of how well the justice system is working.

9:00

I know that the hon. member is often interested in what I'm reading, so I'll give you a hint as to a book I think you ought to read because it contains some interesting observations. It's called *The Prince of the City*. It's a book about Rudy Giuliani. There was some incredible success in New York City in addressing crime on the streets when he was the mayor. For anybody who had been in New York City in the '80s, you know what it was like and how many people were on the streets, how much crime there was, how much graffiti there was, how much garbage there was. Candidly,

while New York was still a pretty interesting place, it didn't feel all that safe.

I'll continue later.

**The Chair:** The hon. Member for Edmonton-Strathcona.

**Dr. Pannu:** Thank you, Mr. Chairman. I've been listening over the last hour with a great deal of attention to the exchange between the hon. Member for Edmonton-Glenora and the Minister of Justice and Attorney General related, of course, to the estimates before the House, which I understand the minister has already moved for approval or that he'll be moving for approval later on. I didn't hear him move. [interjection] Right.

I just want to say that while I've been listening to this, I've been asking: are there many questions that remain to be either repeated or that, if they're not asked, I should ask? I won't waste the time of the House in just going over the questions that have been raised. The minister has either already addressed some of them, or he will be addressing them by way of his written response, I presume, if the time runs out.

One observation that caught my attention when the minister was talking about his budget has to do with how much of the ministry's budget really gets spent on staff salaries. It's unusual. It's almost like an educational institution, you know, where most of the budget goes towards paying the salaries. Did you say 67, 70 per cent or so? It's very large. It's very untypical, I suppose, of the ministries in general. That's a very interesting factoid.

In light of that, I want to ask the minister. The increase in the budget for this year is about 11.1 per cent, \$35 million. How much of the \$35 million will go towards meeting the increases in the salary bill, just specifically? Of course, there are some new hirings, as you mentioned: 21 new prosecutors, some of them very specialized, five judges, support staff, office staff. They're all there, but I'm interested in knowing, given the amount of the budget that's dedicated to paying salaries and benefits for several thousand employees of the department, how much of the \$35 million increase will in fact have to be spent on the existing obligation with respect to salaries and benefits.

The other question that I had here. One thing that stood out as I was looking at the numbers here was the very large increase – and justified, I'm sure, but I don't know the exact reasons for it – for legal aid; you know, a 40 per cent increase over last year, about \$12 million more than the previous year. Two questions on that. What's this increase for? Is it sort of a response to the unmet demand over previous years? Have we been underfunding this particular item, or have the requirements for qualifying to receive legal aid been relaxed so that there are more people, in fact, who are expected to take advantage of legal aid? What exactly is it?

A third thing. I didn't raise this question last year, but several years ago I remember that there was a great deal of concern on the part of the legal community who provide these legal aid services that remuneration was way too low compared to their counterparts who are in the fee-for-service sector of the legal practice business. Is it also, then, an attempt to enhance the payments for lawyers who provide legal aid services? So there are some of the questions. I'm sure that the minister will have adequate answers for this.

A few other questions here for the minister. I'm sure that the minister is very much involved with the Métis hunting rights issue. I think it's covered under his ministry. There have been some changes to the interim agreement. What are the implications of that with respect to this ministry's responsibilities, I suppose, with respect to enforcement of these agreements? Are there some legislative changes that are anticipated? If so, what will they be?

Will it need an increase in staffing or infrastructure to respond to the MLA committee report if it is implemented?

I'm not entirely sure from my notes, so I want to be very tentative about this. The minister will correct me. I confess that I'm a little bit unsure about the facts here, but I understand that one of the proposed amendments, changes to the hunting rights of the Métis is that they will have to surrender to the government any parts of trophy animals that cannot be consumed, eaten or whatever. What would be required in order to implement this recommendation in terms of increased staffing or other arrangements? Other hunters, of course, non-Métis hunters, won't have to surrender any parts of the animal, but Métis hunters, I understand, will be required to if this change is made. It's a question related to the definition of Métis status. Is the minister going to develop some means of clarifying the issue of who enjoys Métis status in the province and who doesn't, and what different rules will apply to hunting with respect to the Métis and the non-Métis population in the context of this controversy of the changes in the interim agreement?

Can the minister explain a bit about the increased funding that the aboriginal court worker program will receive? Exactly what is this aboriginal court worker program, and what exactly does it entail? What exactly will the increase cover in terms of services or activities, hiring of more staff or other resources, and whatever have you? I understand that the last report on aboriginal justice initiatives I think goes back to 2003, as I recall from the departmental website. Should we expect another review this coming year on aboriginal justice initiatives, and if so, when should one expect it?

9:10

I want to move on now to the domestic violence issue. Mr. Chairman, this minister has been quite candid about the sad situation in this province with respect to the very high degree or high rate of family violence. It's clear that when there's violence, there are victims of that violence. When there are victims, they sometimes have to escape abusive situations and seek refuge or protection.

Now, there are facilities, shelters where victims of domestic violence seek some protection. Given that the rate of domestic violence seems to be certainly not abating – I don't know if it increased – I wonder if the minister has some information on the rate of increase and if the situation is in fact becoming worse in spite of the measures that have been in place? If that is the case, has the minister set in motion some review to see why the measures that are in place, that have been in place have not been effective?

The numbers are not with me. I don't know the numbers. I hope the minister will throw some light on whether the measures in place are in fact leading to mitigation and abatement of domestic violence. If the contrary is the case, then is it time, in fact, to undertake some review to seek some more effective means and certainly review the ones that are not working and ask why they're not working and what needs to be done?

I'm not sure if the funding for shelters, women's shelters in particular – although we talk about domestic violence in order to not make the mistake of assuming that the victims are always women. There may be some cases where there are males too, but far more often than not it is women and children who have to use these shelters, and the shelters have been overcrowded. That's the information that has been available to us for many years now. Many women with children have to be turned away, as a matter of fact, from these safe places called women's shelters. I'm not sure if these are funded by the ministry or by some other ministry. Maybe the minister of children and family services does that. So the question is: what is the minister doing or what actions are in the process of being considered in order to reduce the number of people who need

to seek shelter in these places? If the minister is not responsible for increasing the spaces in these shelters, at least he can address the question: is he concerned about somehow reducing the numbers who seek these shelters by reducing domestic violence? If so, what is being proposed or considered?

There is an interesting statement on page 291 of the business plan. It's the phrasing of the statement that intrigued me. It says that "in 2004, women living in Alberta were the most likely in Canada to report spousal violence." The word "report" is the one that I'm curious about. We know that spousal violence reporting usually is underreporting. Most people hesitate to report it. Most spouses, particularly women as well as men, I suppose – there would be hesitation to report. The numbers are staggeringly high as they are, but I think they may be underreporting.

Is there any implication in this wording that somehow the reporting in Alberta is the highest and, in effect, the incidence is the highest in Canada? I think they need to be very clear about what we are putting in these official documents. I suspect that what's being said here is that the fact that women are most likely to report violence in this province also means that domestic violence against women is the highest in Alberta. But there is some confusion here in the language. I just want to draw this to the minister's attention, that it's not clear to me what inference to draw from it.

Does the minister work, in fact, in co-operation with his counterpart in the ministry who is responsible for family and women's services to address the issue of shelter beds and their shortage in the province? Is he in a position to take some initiative and, in fact, then work with his colleague on addressing this issue? I don't see the deputy minister here at the moment, so we'll save him this question.

There were one or two other questions that I had. On the identity theft, it's clearly a growing challenge in the province. That's quite clearly recognized in the business plan of the ministry. We know that some of this identity theft has been reported with respect to some drivers' licences, you know, that the registries have issued. In Calgary there was a case. There may be other privatized services that may have made the incidence of identity theft more of a problem than it has been in the past. Certainly, it is a very serious problem, both from the point of security and the ability of other law enforcement authorities outside our own provincial borders to be able to rely on the identity documents that we issue in this province.

What security measures is the ministry taking to make Albertans' identity documentation more secure? Was the incident in Calgary with respect to that private registry a unique case, or does it suggest that there may be a larger problem across the province? Either way, what kind of information do we have based on which we can say either that it is unique and just a one-off thing or, on the other hand, that we need to be far more vigilant and take a closer look at our arrangements with respect to how secure these privatized facilities for providing different kinds of identity documentation are across the province?

Another question. I think Canada has two credit bureaus. One's called Equifax, and the other is called TransUnion, I believe. These two do not, as far as I understand, share information with each other concerning fraud warnings on credit cards. It seems to me that it's rather irrational for the agencies not to do this, unless protection of privacy laws prevent them from doing so. Would the minister like to comment on this? It seems to me that credit card theft and fraud related to this could be handled in a more timely manner perhaps if there were some co-operation across these agencies which deal with credit cards and credit issues.

I was looking at a couple of line items on page 333. I will come back to it later.

Thank you, Mr. Chairman.

9:20

**The Chair:** The hon. minister.

**Mr. Stevens:** Thanks, Mr. Chairman. In case I failed to do it at the outset of my remarks this evening, I do wish to move the estimates of the Ministry of Justice and Attorney General. It would indeed be sad if we went through all of this and failed to say those magic words. It gives people an opportunity, in any event, to support the estimates at the end of the evening.

**The Chair:** As per Standing Order 57(1), I might add, Minister.

**Mr. Stevens:** Indeed.

Just to end my thought with respect to the book I was referring to, *The Prince of the City*. The reason I ended up reading that particular book was because of the broken windows approach that was so successful in New York City to reduce crime. There's a reasonable portion of the book that deals with that particular matter. It's a very well-written book. It's got lots of interesting comments regarding the politics of New York City that would be of interest to the hon. member. A theme that runs through it is that it's a city that has traditionally been very liberal in its Democratic government. I use that in the sense of small "l" liberal and big "D" Democratic. So the social programs there have been over the years well supported, indeed perhaps incredibly generous. But there are some comments made ultimately about the morality perhaps getting ahead of the practicality in terms of successfully addressing the issues of societal safety and crime on the streets. I would recommend reading that book. It's a very interesting read. It does deal with a lot of those things.

Now, some comments regarding the questions asked by Edmonton-Strathcona. The situation with respect to legal aid now for some time is that we have been funding at a certain level and that the expenditures of Legal Aid, as funded by government, have been greater than the amount provided on an annual basis. Some time ago – it would be before my time as minister – a lump-sum amount was provided to Legal Aid as a fund which they could draw down to meet annual expenses. That fund has been used now last year and this year, and at the end of last year, as a matter of fact, they were starting to get to the point where there were very few dollars left in that particular surplus fund, if you will.

So what we are doing as a result of the increase here is we are giving them stable annualized dollars in our budget to meet the dollars that they otherwise have had as a result of a drawdown from that special fund I referred to together with the annualized amount. So what we are giving them this year is more or less what they got last year from the province of Alberta to support the legal aid budget. It does not involve an increase in scope of the program.

Actually, in terms of the entire country we provide an excellent program. We, unlike most other provinces, have an aspect of civil legal aid that is simply not available elsewhere. You can talk to the folks at Legal Aid. It's always got challenges. It's the nature of the program. But the fact is that in Alberta we have a relatively good legal aid program compared to other jurisdictions across the country.

One of the issues, of course, is to attract more dollars, and those asks have been made to the federal government, the previous federal government, this federal government. There was hope that there would be an increase in this year's budget. The reality is that the new Conservative government is relatively new, and its priorities were such that they did not have an opportunity to fully canvass the legal aid program in time for this budget. So what they did was they extended the legal aid funding that is provided by the federal government, which essentially goes to criminal law, not civil, for

one more year so that there is a year of time that they can review this matter, have consultation with the provinces. I would anticipate that we'll understand a year from now, when the next budget comes down, as to what the position of the federal government will be regarding funding of this particular program.

I think that for your purposes, hon. member, we have just entered into a new five-year contract with the Law Society of Alberta, who is one of the three parties together with the Legal Aid Society of Alberta. That was inked within the last month or so. I think there is stability in funding. There is stability in purpose. There is stability in governance. There is not an issue, at this point in time, regarding remuneration of those who supply the services. There's, of course, always a challenge with respect to meeting the demand that is there, and obviously on the civil side of things there is a great deal more demand in terms of scope than is in fact offered even under our program, which is, as I said, one of the very best in the country. I think you can be reasonably satisfied. If you talk to the folks from Legal Aid, they will say that we're doing quite well here in the province.

On the Métis harvesting. Métis harvesting per se is an issue that is a cross-ministry matter, Aboriginal Affairs and Northern Development and also Sustainable Resource Development. So when you talk about enforcement, that in large measure is Sustainable Resource Development. When you talk about some of the funding issues, that in large measure is Aboriginal Affairs. The legal service is one of the things that I indicated in my opening comments that we do. We provide legal services to other ministries in the government. That is our role here.

There was a Supreme Court case in 2003 called *Powley*. It was an understanding of that that drives us to where we are. There is a need for renegotiation of the interim agreement. That is very much a legal matter. That is why the ministry of Justice is involved as it is. Of course, we go down that road together with Sustainable Resource Development and Aboriginal Affairs because they continue to have significant interest in the subject matter of the discussion.

The issue with respect to Métis harvesting is that the *Powley* case said essentially that Métis people can harvest for food. You make reference, hon. member, to trophy hunting. Well, trophy hunting is not for food per se. So the comment was that in order to ensure that people hunt for food, then the trophy part of the animal, to the extent we're talking about a trophy animal, ought not to be kept, and that way what remains is for food. Métis people can, like all Albertans, apply for the permission and right to hunt trophy animals and do that to the extent that they get that permission. So it's not that it's not available. The issue that we're talking about under this Métis harvesting is harvesting for food purposes.

The hon. Member for Edmonton-Strathcona made reference to the court worker program. We, in fact, have just finished a review of that program. That's a very successful, well-regarded program in the justice system in Alberta.

9:30

The review was chaired by the hon. Member for Calgary-Fort together with colleagues from Lac La Biche-St. Paul and Calgary-Hays. The purpose of the review was essentially to find out what was happening, to determine the satisfaction level of the stakeholders in the system – that would be the users of the program, the courts and others – to see whether or not there was consistency among the various programs in the province. What was appropriate? What wasn't? How could we advance the program? Was there training that we could offer in terms of ensuring that there was consistency from one place to another? Things of that nature.

The court worker program is for aboriginal people. There is funding from the federal government that does go into this particular program. It is a provincial program. It's one that is very much respected both by the people who are the users of the program and the courts, who are the beneficiaries. The court worker people provide information with respect to the justice system. They are resource people in the location who can help people who are interfacing with the justice system who do need some assistance. They typically are not legally trained people. They are not, typically, people who can as a result of their training provide legal services, but they have a wealth of experience, which they can share and which is much appreciated by the courts because you now have a better informed person who is going through the justice system.

That, obviously, is one of the issues that we face in the justice system; that is, the unrepresented or self-represented litigant who doesn't understand the rules but needs some guidance in order to make contact, ask the right questions, perhaps get a lawyer, perhaps get some advice from the duty counsel, and so on. This particular system has just been reviewed. We're just in the process of looking at the report in government. It's going to go through the typical standing policy committee, cabinet, caucus review. I can tell you that it makes some recommendations for enhancement to the program. The budget that we have here would see some additional support being given in the form of management that has a supervisory, educational type of component to ensure that there is enhanced monitoring and enhanced co-ordination, to improve deficiencies as they may exist in various programs, to enhance consistency of approach, to make sure that people are doing what they should be doing. You'll hear more about that, hon. member, as we go through that. I anticipate that that is a report that probably will see the light of day, so you will have an opportunity to read it. Once again, it's going through the process, so I can't speak prematurely. My colleagues, obviously, will have to make that decision.

We'll provide you with the statistics we have regarding domestic violence in the province. I don't have those with me here, but it's appropriate that people know what we know, and I'm happy to provide that to you. Our emphasis on domestic violence arose in 2003 as a result of a conference; I believe it was in Red Deer. So we've had an emphasis on domestic violence in our justice system since that point in time. In Justice what we've been doing is get domestic courts up and running, ensure that they are successful, provide additional resources to them so that they can expand within the community and that we get them expanding throughout the province. That requires people in the communities to support them because it's not just lawyers; it's also the people who provide the support at the back of the courtroom. It is a cross-ministry initiative with other ministries who provide that social support for the victims and also assistance to the accused.

The whole idea of the exercise is to get this matter dealt with earlier so that there is less opportunity for recantation of the complaint by the victim, which is a problem if it lasts too long, to get people into some support systems. The recidivism rate in Calgary in the HomeFront program, which has been, I think, going on the longest of all of them, for people who have gone through the support system is something along the lines of dropping from 36 per cent to something like 5 per cent. So the success of having this program up and operating and people going through it does lead to less repeat offence. That is something that we can do in the justice system.

There's a handbook that was prepared in co-operation with the Solicitor General's department and which is now in the hands of all of the people in the province who deal with this. We have sent it across the country because it's a wonderful resource. People in other jurisdictions are appreciating that we have got a very good

piece of work here that they can use in other jurisdictions also to address domestic violence from whatever perspective they happen to see it, whether it be a prosecutor or the police or a social worker.

Identity theft. You're quite right; this is a very serious problem. I had some statistics for you with respect to child pornography. I think it was three cases in 2000. Today: 90 cases. That's very much an Internet-driven matter. Identify theft is very much an Internet-driven matter. Truly, while I don't have the statistics to share with you, my own sense of it is that identity theft may be a far greater issue than even child pornography, and child pornography as an issue is horrendous. I can tell you that Canada as a country has not dealt with this issue. There are other countries, like Great Britain, which have started to deal with it, that have a centralized system. We are looking to other jurisdictions that do this for some guidance.

I can tell you that it's my intention, along with the Solicitor General, to raise this at the next federal/provincial/territorial meeting of Justice and Solicitor General ministries, in October of this year, so that we can start that process of developing a co-ordinated effort. It does have to be co-ordinated. This is very huge. This is very complicated. I remember hearing from some expert about the Internet being used to effectively be a market for the exchange and sale of stolen credit cards. I mean, it's one of those situations where if you're in the know, you know how to log in, and you get to trade these things the way you would comic books. You know, it's hard to believe that that kind of thing exists, but that's the extent to which, I understand, this particular crime has grown. So this is an area where we have to get involved in a coherent way.

Your comments with respect to Equifax and TransUnion, from my perspective, raise the issue of disclosure. In order to be able to address this, you have to be aware that identity theft has occurred. You need to have an obligation on the part of people who are in the position of holding a lot of personal information to tell us rather than to bury the fact that there has been this kind of disclosure. I'm talking about insurance companies, banks, people that have a lot of our personal information, have your credit card, your bank balances, your home address, those kinds of things. If there is a breach, they need to tell us. I think that there needs to be a sharing of that kind of information appropriately among people that we can trust as a general proposition.

I can also tell you there, hon. member, that my department at this point in time is following up on an initiative that the state of California has taken. There's a Senator down there who introduced a bill which essentially does have an obligation on the part of people who hold this kind of information to tell the authorities when there is a breach so that we can follow up on it.

These are early days relative to this particular crime. We have a long way to go. The good news is that we've identified it as an area, but as a country we haven't begun to fight this. It's necessary to start right away if we're going to make some material gains in that area.

9:40

**The Chair:** The hon. Member for Edmonton-Glenora.

**Dr. B. Miller:** Thank you, Mr. Chairman. I made the comment earlier that incarceration does not fulfill the purposes of rehabilitation and deterrence, and the hon. minister pointed out the importance of the term retribution. Interestingly enough, I don't know why, but I brought with me to the House the Supreme Court decision *Her Majesty the Queen versus C.A.M.*, 1996, in which Justice Lamer actually defends retribution as being the accepted and, indeed, the important principle of sentencing in our criminal law. It's a very interesting statement, perhaps surprising – I don't know – where he

defends the idea that, you know, retribution, which is a very old concept going back to the very earliest times, is not vengeance.

In primitive times it was family vengeance, family feuds. The understanding of retribution is that the state will pursue justice on behalf of people who are the victims of crime. Retribution focuses on the moral blameworthiness of a particular offender. It's not denunciation. Denunciation is declaring to the community that what has been done is wrong. Retribution focuses on the moral essence, the blameworthiness of the offence. It's interesting that that is the overwhelming emphasis of criminal justice today.

There's a whole other stream of thinking which is present in western society and also in eastern societies, when you think of all the different religions of the world, and that's the emphasis on reconciliation, on restitution, on what we now would call restorative justice. I think that restorative justice is what's coming in the future in terms of determining the content and the essence and the quality of our justice system. I think it's commendable that the Justice department's focus is also to a great extent on restorative justice with the emphasis on mediation programs, diversionary programs, alternative sentencing. I wish that there was more money going into that, and I'll say the same thing tomorrow when we look at youth justice committees. We need more money into those kinds of efforts because I think that that's what the future is going to bring: more emphasis on restorative justice.

Just another comment along with others on legal aid. The hon. minister is recommending looking at what's happening in the U.S. I'm not sure that that's always good, especially in terms of legal aid. If I understand 3.6 on page 296: "Work with the Legal Aid Society of Alberta to implement a staff counsel pilot project in the adult criminal court in Edmonton." Now, I raised questions before about the movement towards a public defender system. Is this what this is about, the staff counsel pilot project? In other words, the Justice department would be hiring lawyers not just on the prosecution side but also on the defence side to work for legal aid. I think there are a lot of problems with that. The very situation of having the government hiring lawyers to work on both sides of a criminal justice issue I think has problems.

Also, I don't know what kind of consultation the Minister of Justice is having with the Criminal Trial Lawyers Association because reports that I'm getting are that a lot of lawyers in private practice have been taking legal aid cases for years and years and years and would love to continue to do that and fear that they're going to be cut out of that kind of work. I think that there are legitimate concerns around that. I have to really commend so many lawyers who do work for legal aid and do pro bono work. It's just marvellous.

Tomorrow night is the annual meeting of the Edmonton Centre for Equal Justice, which also does tremendous work with people who live in poverty, who do not have the money to even go to legal aid. There are a lot of lawyers who do pro bono work through the Edmonton Centre for Equal Justice, and I think that that's just tremendous, quite commendable.

I have an amendment that I would like to propose, Mr. Chairman, if I could do that now. I have it right here, an original and all the copies.

**The Chair:** Okay. Give the page an opportunity to distribute them, please.

Okay. Hon. Member for Edmonton-Glenora, I believe you can proceed.

**Dr. B. Miller:** I think everybody has it.

**The Chair:** There are just a few more to distribute, and I'd just like to update the Assembly: I've been informed that Anaheim won the game 3 to 0.

It looks like all the amendments have been distributed. The hon. Member for Edmonton-Glenora.

**Dr. B. Miller:** Thank you, Mr. Chairman. I'd like to move that the estimates for the Standing Policy Committee on Justice and Government Services under reference 1.0.8 of the 2006-07 main estimates of the Department of Justice and Attorney General be reduced by \$99,000 so that the expense and equipment/inventory purchases to be voted is \$342,337,000.  
Can I speak to it?

**The Chair:** Yes. Please proceed.

**Dr. B. Miller:** Mr. Chairman, just to speak briefly to it. I have attended this standing policy committee on justice, and I didn't find it a useful activity on the part of myself. It's held in a room in this building, and you have members of the staff of the Justice department coming in, the minister and deputy minister, and even the press in the room at the back, and I as an MLA am not able to ask questions or participate.

**The Chair:** Hon. members, the noise level is increasing to the state where it's hard to understand this hon. member.

**Dr. B. Miller:** Well, I can speak louder. I'll use my preacher's voice.

**Mr. Snelgrove:** Speaking louder doesn't make you smarter.

**Dr. B. Miller:** It'll get your attention.

**The Chair:** Hon. members, the hon. Member for Edmonton-Glenora has the floor.

**Dr. B. Miller:** Thank you, Mr. Chairman. This is something that has come up over and over again. These standing policy committees are not all-party committees. If we look at the federal government and the tremendous work that all-party committees do, if we look at the select committee on conflicts of interest that is happening now – it's an excellent committee led by an excellent chairperson – it shows what an all-party committee can do working together. I think that I would yearn for this kind of thing to be present in our legislative system, where as an MLA and as a critic for Justice I could participate in such a committee and contribute my great knowledge and understanding to the process of this committee.

So I would recommend that we adopt this amendment, Mr. Chairman.

**The Chair:** The hon. Member for Edmonton-Centre.

**Ms Blakeman:** Thanks very much, Mr. Chairman. Well, I'm pleased to rise in support of this amendment, proposed by my colleague from Edmonton-Glenora. If I may call this the Sapers-Dickson memorial amendment in honour of previous colleagues of mine on this side who regularly brought forward a similar amendment. I think the point needs to be made very strongly in this Assembly that what the government chose to do when they established the standing policy committees is that these are internal committees of the Tory caucus, of the government caucus.

9:50

They are not legislative committees, they are not open to all members of the Legislative Assembly, and they should not be paid for with legislative funds. These are internal government policy committees, and that's been well admitted and on the record many times by members opposite, no different than if we formed a caucus committee on our side to develop policy. Those lunches and transportation and payment for chairpersons and vehicles that are provided for a chairperson: all of that is covered by this budget. It is, frankly, inappropriate. This is not a legislative committee. I don't think that salary should be paid to the individual from Legislature funds.

If anything, I would argue that this committee is anti-Legislature in that it is moving the debate and the openness and the transparency and accountability of this Assembly out of this Assembly and behind closed doors into a private Tory caucus meeting. That's what this committee is. They have the gall to then come to the taxpayers and say: pay for our dinners, and pay for a salary top-up for our committee chairperson and a car to be provided for them.

That's why we have asked for that amount of money to be reduced from the budget, because it is inappropriate as a Legislative Assembly expenditure. If the government wishes to do this, fine. Then do it internally, pay for it out of your allocated caucus funds, and get on with it. But don't pretend that this has anything to do with a democratic process in Alberta because it doesn't. It's an internal working, and it should be paid for internally by the caucus budget, not by this one.

I've often heard members on the other side say: oh, this is how we develop all the wonderful policy that we give to the people of Alberta, and that's why they should be paying for this budget. Well, actually I'd argue against that. There's no accountability. There are no minutes kept of those meetings. There's no *Hansard* kept of the meetings. So it's strictly on an hon. member's word that they raised an issue or campaigned for something or tried to convince their government colleagues to adopt a particular policy. We have absolutely no way of knowing that they actually raised that issue and argued for it or indeed what they argued for. We have no idea of being able to ascertain whether they voted for something or against something. Nothing.

There is absolutely no record kept of what goes on in those committees, and most of them are behind closed doors. Occasionally they are open to the public, but again only government members are allowed to participate in the actual working of the committee. As my colleague from Edmonton-Glenora stated, the media and other members of the Assembly, that being members of the opposition, are relegated to sort of sitting on the side. They're not allowed to ask questions. They're not allowed to participate in what's going on.

So we have no accountability for citizens to be able to find out how their MLA actually proceeded with this committee. There's no record of it kept in any way. There's absolutely no transparency for what went on. We don't know what arguments were presented for or against any given policy. For citizens that are trying to find out whether their point of view got represented and they happen to have a government MLA, there is absolutely no way for them to find out what happened there unless their MLA, you know, chooses to tell them: this is what I said, and this is exactly how I said it.

I think it's important that we raise this issue, we put it on the record, we let people like those people that are joining us in the public gallery today know that their taxpayer dollars are being used to fund an internal, private working committee of the Tory caucus. To pretend that this is somehow part of a legislative, democratic process is a perversion of the term, frankly. The government, I

believe, has trivialized the importance of this Legislative Assembly through the introduction and continued maintenance of these committees.

I am often, I think, in my role as House leader asked to go and speak to groups of young Albertans who are in here occasionally, Mr. Chairman, as MLA for a Day and the Forum for Young Albertans, for example. Often I'm representing the urban or the opposition point of view. There's a government MLA that's assigned to do this, and there they are happily saying: "Oh, yes. There's this committee, and we argue everything out behind closed doors, and then that's it. We don't have to do anything in the Assembly." Right. Well, exactly.

The people in the gallery have no idea how that decision was reached by government, and very little is said in debate by government members: very unusual to have government members stand in this House and put their individual perspectives on the record in *Hansard* for all the world to see how they feel about a particular bill. We will get the sponsor of the bill speaking, perhaps one other person, and that's it. The rest of the work is done by the members of the opposition, who are mostly questioning things. So I really find the development of these committees and the continued maintenance of these committees to be a perversion of the democratic process in Alberta, and I do not believe that the funding should come through public sources for it, certainly not treating it as though it were a legislative function because it is most definitively not.

So I would argue in favour of this. I think that if the government wishes to keep those committees operational – and I think there are four or five of them – fine. You are free to do so. But they should be paid for out of the government caucus funds, and they should not be paid for in the manner in which they're being done now. That's what we're proposing with this amendment. I thank you for the opportunity. I urge all members to support the amendment.

**Mr. Stevens:** Well, I'd like to start, Mr. Chairman, by thanking the hon. Member for Edmonton-Glenora for bringing forward the motion. It does seem to me a compliment that they would like to spend the last 15 minutes of my estimates talking about this matter rather than the policy and money being spent in the budget. As the hon. member has said before, he's very appreciative of the good work that people do in my ministry, and I'm very proud of my colleagues and the work they do in the standing policy committee, which is a committee of cabinet. It is a part of the policy-making process.

Some years ago when I was a private member, I had an opportunity to attend a parliamentary conference in Quebec City. Of course, as you know, Mr. Chairman, those involve private members from across the country. What struck me at that particular meeting was how satisfied the government private members from Alberta were compared to the government private members from other jurisdictions, where, generally, I would describe the attitude as being one of being very much in the dark as to what the government was doing and not having a sense of participation. This is a particular process that our Premier brought in that was successfully part of the city of Calgary governing process, and it remains, too, to this very day as far as establishing policy is concerned. The standing policy committee process now in terms of this Premier's history in politics goes back some 25 years. It's a very successful way of dealing with policy and is to be supported.

**The Chair:** The hon. Member for Edmonton-Strathcona.

**Dr. Pannu:** Thank you, Mr. Chairman. I rise to speak on the amendment before the House. I should start by noting that the issue



confessions. Consequently, arguments have been made that police should use the investigative tactics that they have been trained for, and the principle of confidentiality and privacy for patients should not be compromised.

Now, it's really interesting that the context of the debate about confidentiality and disclosure, telling the truth, has shifted. I mean, 30 years ago all of the literature around medical ethics was focused on the relationship between the physician and the patient and to what extent the physician should disclose everything that the physician knows to the patient. Should the patient be told the whole truth about their illness, their disease? There was lots of discussion about that in the literature. That's a serious issue. Maybe we can learn from that; I don't know. The primary concern of medicine in that example was the potential benefit or harm in a course of action. I mean, the issue was how much truth, when to tell the truth, how soon, how clearly. The movement through the years in terms of medical ethics has been in the direction of fuller disclosure, that the patient has the right to know the truth, that the patient needs to know everything that the patient wants about their illness. So the whole debate has moved in the direction of greater disclosure.

Now, in this bill we're not dealing with the relationship between physician and patient. We're dealing with the disclosure of information, the truth about a person's situation, his illness or disease, to other parties. It's a very interesting question. I think that this bill tries to steer between the issue of privacy and the right to privacy and the greater good of the public, especially if public safety is at stake. There are some questions. For example, section 5(vi)(r) enables the disclosure of health information for the purpose of "processing payment for health services provided to the individual by a person that is required under a contract to pay for those services for that individual." Does that also involve disclosing of health information without consent to insurers? That would be a question that we might raise.

#### 10:10

Bill 31 gives health professionals the discretion to disclose health information without consent to police and prosecutors. What protections are in place for health professionals who choose not to provide confidential health information in response to a request from police if they feel that they shouldn't disclose the truth because of their relationship with the patient? Their primary focus is the health of the patient. It puts the health professional in a difficult situation whether to disclose this information: would that be to the benefit of the patient or not? So I don't know. Those are ethical questions that I think need to be raised and have already been raised in the second reading debate. Perhaps more of those issues can be elaborated on as we move into Committee of the Whole.

On the whole, I think that this bill is well crafted. There seem to be lots of safeguards here in terms of the nature of the information that's to be disclosed, and then there is a procedure, and there's an outline of exactly what the information should be. There's a list; namely, the name of an individual, the date of birth of an individual, the nature of any injury or illness of an individual, et cetera. So I think the safeguards are in place. I think that in general I would support this bill, but it will be interesting to see members raise issues about component parts during Committee of the Whole.

Thank you, Mr. Speaker.

**The Deputy Speaker:** Hon. members, we're at the stage in second reading where 29(2)(a) is available if anyone is interested.

Seeing none, the hon. Member for Edmonton-Calder.

**Mr. Eggen:** Thank you, Mr. Speaker. I rise to speak for the first

time to Bill 31, the Health Information Amendment Act, 2006. In my estimation it is a well-constructed piece of legislation on the whole, although there are several sections of it that our caucus finds a bit disconcerting. Perhaps we can seek clarification on a number of these issues and, hopefully, then will be able to forward our tentative support.

The legislation, as the hon. sponsor of this bill said at the very beginning, is to make substantial amendments to the Health Information Act, reflecting changing technology and to better assist in the administration of health care spending in Alberta. Those are all laudable goals, Mr. Speaker, and I would seek to ensure that Bill 31, in fact, does work to assist the administration of health care spending in this province. Certainly, this is a central issue of this spring session regardless of the absence of actual third-way legislation, which seems to have flown away like the winter snows, which I think was a very happy occasion for most Albertans. I think our task now is to get down to the business of reinforcing and building our public health care system and strengthening and modifying it for the coming century, and I will throw myself wholly behind that job.

Looking at Bill 31 specifically here, I believe that many of the changes certainly are innocuous and simply involve updating the legislation to reflect existing policies. For example, changing "ethics committee" to "research ethics board" throughout the language of this legislation I think is appropriate. Many of the amendments are restricting foreign access to Albertans' health information, which I find again quite heartening as long as we are making substantive measures to ensure that and are fighting off the temptation to allow private insurers to operate in this province in any extensive way, which, of course, would preclude any real ability for us to protect health information. Of course, private insurers, just by the nature of their business and the actuarial means by which they come to do business with people, require the very most private information from us and require the trade of that information as well to ensure the functioning of their business. Certainly, again, not seeing any substantive change in that in spring in the legislation in regard to the third way was useful and helpful to all of the people of Alberta.

Protecting against the PATRIOT Act, I think, is probably what some part of this legislation is attempting to do, which is good, and we must make sure we strengthen that. For example, in section 5 the disclosure for the purposes of collecting payment for health services seems to hint at some possibility of private health insurance, and I am putting that out there if that, in fact, is the intent of this amendment in section 5.

Also, the provisions made for the disclosure of private health information if it is for the good of public safety raises the question of what situation or circumstances this legislation might be anticipating. Is the partner legislation Bill 26, the Mandatory Testing and Disclosure Act? How will disclosure to police services, the ministers of health and justice help the good? How are we going to operate that? It's very thin ice in regard to the practice of protecting the private individual and protecting the public good. So I'd ask the hon. member to perhaps give us more detail regarding such disclosure and interaction with these other public entities. What sort of situation would, in the minister's mind, require disclosure for the sake of public safety?

The amendments in Bill 31 reflecting changes in technology recognize that certain computer databases that log details regarding access to information do not require the recording of two very important pieces of information regarding disclosure that are included in the access to other forms of data keeping other than computers. These two pieces of information are, first of all, to whom the disclosure is made, and number two, the purpose of the

disclosure. Both of these details are recorded under other forms of disclosure but not for computer access that uses the ID. Consequently, the access log is less detailed than what is required under current legislation. So I would ask the hon. minister how this shortcoming might be addressed. Or am I barking up the wrong tree? Is this not considered an important detail to you? I think that perhaps it might be considered an important detail to the public.

What other information might be included in the regulation part of this act? What is available for disclosure? Like it indicates in section 10 of the proposed amendments, what might this include, and what potential situation is this loophole meant to anticipate? What information could the minister provide to help us illuminate this section 10?

Finally, how are these amendments meant to address the tracking of drug trends as put forth in the government press release? It seemed to be a rather enigmatic reference in the release in regard to tracking drug trends. Is that for the individual? Is the government perhaps considering putting this information together to consider the tracking of collective trends in the use of pharmaceuticals in the province? Then perhaps I would say that considering the bulk purchasing of pharmaceuticals would be a useful end in collecting such data and, in fact, the enacting of some sort of provincial pharmacare plan in the province of Alberta, which I think would go a long way to addressing any concerns about increased public health costs in the province of Alberta.

**10:20**

I know that in regard to the increase over time, the numbers certainly are very much in dispute and, I would suggest, do not reflect anything outside of the normal growth in relation to our GDP growth and population growth in this province, but we certainly do want to realize the maximum efficiency for our public health care dollars since the backbone of what makes a public health care system strong is the economic efficiency of it. So public buying of pharmaceuticals under some sort of provincial pharmacare plan would go miles, or kilometres I should say, to helping strengthen our public system for these coming years.

I will leave off with that at this point, Mr. Speaker. As I said, we have those specific concerns in regard to this bill, and if they are adequately addressed, I can see no reason why we shouldn't recommend support.

Thank you.

**The Deputy Speaker:** The hon. Member for Edmonton-McClung.

**Mr. Elsalhy:** Thank you, Mr. Speaker. I'm pleased to rise tonight to respond to the bill that's before us, Bill 31, Health Information Amendment Act, 2006. At first look I think it appears to be okay, and I am definitely leaning towards supporting it as well. The issue of health information and who owns it and who can access it and which types of information we collect and for what purposes has been a big topic at many discussions, both formal and informal, which I took part in.

I know that my hon. colleague from Edmonton-Centre indicated that she will provide qualified support after certain things are addressed and certain questions are answered and with amendments at the right stage of debate. I rise today to just talk about it both as an individual and also as a health practitioner. It is understandably an important issue and is not to be taken lightly. Custodians or keepers of health information, be it physicians, pharmacists, nurses, diagnostic and lab facilities, et cetera, are becoming increasingly aware not only of their responsibilities to guard and properly handle sensitive private health information but also of the risks inherent and the built-in liabilities.

As a pharmacist myself, at some point a couple of years ago our association was demanding clarifications and explanations from Alberta Health and from legal experts in the field in instances where the Health Information Act seemed to be conflicting or competing with privacy legislation. Almost no one wants to be breaking the law intentionally, and equally, Mr. Speaker, no one should be placed in a situation where he or she breached some clause of some act in good faith or in carrying out his or her duties.

One aspect is defining who collects what information, for what purpose, and who he or she can release it to. You know, a simple example, Mr. Speaker, would be whether a mother or a guardian has the right to know if her daughter is on birth control pills, for example. A more serious case is when you get the RCMP requesting someone's complete medication profile. Disclosure is the issue here then. We need to balance the protection of personal information and guarding an individual's privacy with the protection of society or the public and securing our health care system against the threats of misuse or abuse. [interjection] Yes. It's the issue of balance. Absolutely.

Other questions which come to mind include this whole issue of harvesting prescription data and selling it to marketing and drug manufacturing companies as part of their market research. That drives up health care costs, of course, and we're not sure if they're using that type of information in a fashion that is above board and in a way that is useful to the consumer or whether, in fact, that sensitive information is being misused.

Also, we have to be sure that in instances where information as such is being harvested for whatever purpose, all sensitive or identifying information is purged. There was a case in the U.S., I think, in 2001 where a famous company that had a contract with all the drugstores in a certain state, promised the association in that state and promised the individual stores that when they collected that information, they were going to program the software in such a way that it purges or deletes all the identifying information. Needless to say, that did not happen, and it was a big embarrassment for the association that agreed to that contract. It was a big embarrassment for that state government, and the company ended up being fined, and I think they lost their licence for a period of time. So, again, we have to learn from other people's mistakes, and today is a good chance for us to review all those scenarios.

Also, how about patients that are enrolled in research studies? Now, most of the research studies nowadays are double-blinded. Most of the times there are confidentiality agreements that the patient enters into with the research lab or institute or the drug company that's conducting that research. But exactly how are we getting the assurance that we need that all sensitive information, identifying information – patient names, addresses – is being removed from that package? Most companies will tell you that they only need the age, the health status, prior conditions, and all that stuff, and they don't need to know the name of the person, where they live, or any other information. But, again, we seek assurances.

Furthermore, what about the residents in long-term care? They receive medication in their carts. They receive doses sometimes three or four times a day. How do we assure them and their families that their information is being guarded and that no one would know what they're on and what X person is being prescribed for what condition and so on?

Another layer we can add is prison inmates receiving drugs. Their privacy is also something to be protected.

Mr. Speaker, I do not disqualify the need sometimes to share certain pieces of information between practitioners to achieve better medical or pharmaceutical care. Take, for example, a physician in an emergency situation who wants the drug profile on a patient to

figure out what that patient was on and for what conditions. In a trauma situation, for example, the patient may be unconscious or unable to speak or understand. Do we wait to receive consent, or do we act immediately? I would say that we act immediately because in a situation like this the person cannot speak for themselves, they cannot make that decision, and saving a life takes precedence.

Conversely, when a patient requests his or her complete profile to take to a specialist or when he or she is switching physicians, the pharmacist is only happy to co-operate since it is the patient himself or herself, or his or her parent or guardian if that patient is a child under 18, that owns that information. That file belongs to the patient. Mr. Speaker, when you yourself go to your druggist, you own that file, and pharmacists do it free of charge as well. On the other hand, some clinics charge a patient to release his or her file to him or her, which raises some questions in people's minds as to the issue of ownership and whether, in fact, this is just a delaying tactic to not release that information or whether, in fact, they look at it as revenue. I definitely think the patient owns his or her file, his or her information, and that health practitioners simply collect, share, and safeguard that information.

As was mentioned before, two of my caucus colleagues, the members for Edmonton-Centre and Edmonton-Gold Bar, both sat on that Select Special Health Information Act Review Committee. It is good to see that some of their good work is being implemented, and I commend the government for bringing it forward. It's also good to see that some of the more contentious or controversial suggestions which my colleagues expressed opposition to were adjusted to preserve or protect individual privacy. Again, this is useful, and I think it's positive.

I'm also thinking, Mr. Speaker, that when pharmacists wanted access to lab results, for example, and were met with some resistance, it was not because of privacy concerns but, rather, unfortunately a few physicians from the old school thinking that they did not want to cede some of that responsibility to someone else, sort of like protecting turf, if you will. It is reassuring, however, that Alberta is now moving toward an integrated, collaborative model of health care delivery with primary care networks and that there will be a need to share or access information more regularly and more closely but, again, with the necessary safeguards and checks. As my colleague from Edmonton-Glenora mentioned, there are safeguards and checks in this piece of legislation, and that's why I'm leaning towards supporting it. Again, qualified support.

**10:30**

Now, again from my experience as a pharmacist and speaking of checks and balances, take, for example, Alberta's Wellnet, now called Alberta Netcare. Do you know, Mr. Speaker, that I can actually get in extremely hot water if I access your own health profile without authorization? I have to get your authorization to access your file on Alberta's Wellnet, and I also have to demonstrate a need to do that. I do have access, and I can do it without your permission, and I can actually tell you or tell other people what you're on and for what purpose and, you know, how many times you filled it and when the last time you received it was and all that stuff. But the issue of authorized access and different levels of security and different passwords for different sections of Alberta Wellnet is a very positive development. I only access information on patients that are mine, that are clients of my pharmacy, before I even attempt it.

This system keeps track of who accessed what information when, why, and from where. So I can do it right here in the Chamber from my laptop, or I can do it from my home, or I can do it from my drugstore, or I can do it from Mexico. The system keeps track of

who is accessing what, when, from where, which is really positive, and it alleviates some of the concerns that not only pharmacists but physicians and nurses had when Wellnet was being constructed and was being put together.

Bill 31 in general terms extends two basic rights to Albertans. The first is the right of privacy and the protection of confidentiality, which I mentioned, and this is positive. The second one is the right to access their own information in the custody or under the control of custodians, including the right to examine, obtain a copy of, request a correction or amendment to recorded personal health information. That's also in keeping with recognizing that patients now are partners in their own health. So if you're going to empower a person to fully engage in looking after themselves from the health angle, then the least you can do is give them information that is useful to them and that is current and timely.

One more point, Mr. Speaker, before I conclude is the modification in this Bill 31 with regard to disclosing information to law enforcement agencies. It was recommended when the committee was reviewing the Health Information Act to just give a blanket requirement for health professionals to disclose information to law enforcement agencies regardless, that whenever they ask for it, you should just agree and release it. It is reassuring to see that Bill 31 did not go that way and that, in fact, it offered balance by leaving that authority with the custodian. So now the custodian himself or herself has the power to adjudicate or judge whether in this particular case releasing this information is warranted or if it's the proper thing to do. In fact, they can decide to withhold it, and the police have other ways, as in seeking a court order, for example.

This issue was definitely highlighted by both the Edmonton and the Calgary police services. But the recommendation to call for a mandatory disclosure was definitely something that we in the opposition and many Albertans found offensive. Again, it's commendable that this bill is not going that way and that it's leaving this as a responsibility that falls under the purview of the custodian or in many cases the practitioner that looks after those patients.

So with that, Mr. Speaker, I am thankful for this opportunity, and I will listen to more debate. Thank you, sir.

**The Deputy Speaker:** The hon. Member for Lethbridge-East.

**Ms Pastoor:** Thanks, Mr. Speaker. There are a number of things that I would like to discuss with this bill. The hon. member ahead of me has said that the question is: who owns this information? I believe that I own it. It's my information.

So I would like to go back to the very start of how this information even gets into the system in the first place. The buzzword in this province is personal choice. That choice, then, almost automatically takes you away from the system and makes you accountable as opposed to the system. So when the person does make the choice, they are then responsible. The question to me would be: how really informed are they when they make that choice? The choice that I want to make is the fact that I don't allow this information to go into the system in the first place, and I think that that's a personal right. I don't see that there's any manoeuvring room in this particular bill for that specific personal choice.

I think of the primary care networks that are being created. You then become a file with four and five and eight, 10 people having access to that file. It's not as if it necessarily goes into this private, confidential computer system. That is one of the things that bothers me the most with this bill. I really do not see any personal choice in saying, "No, I do not want to share my information with the larger system," and in fact that you could own your file or that it would be

then written between you and your doctor or whichever care personnel you're using.

I would just like to have that concern put on the record. Thank you.

**The Deputy Speaker:** The hon. Member for Edmonton-Strathcona.

**Dr. Pannu:** Thank you, Mr. Speaker. I rise to speak on Bill 31, Health Information Amendment Act, 2006. If I recall, this bill was preceded by a special select committee of the last Legislature. The Legislature before this one was created by the elections in 2004. I was a member of that special select committee that was established by this Legislature to review the existing Health Information Act and to make changes in it, which was I think required by the existing piece of legislation, which required that five years after that bill had come into force the whole legislation be reviewed.

So I recall some debate at the time which certainly had to do with the protection of this very, very sensitive personal information related to one's health and the ability of the custodian to disclose it on request from law enforcement authorities or from various agencies of the government. We had come before that committee many groups and individuals concerned about the possibility that the review might lead to relaxation of the conditions attendant upon disclosure of that information.

I remember that the Alberta Medical Association made a very strong representation to the committee at the time and expressed very, very serious reservations and concerns on behalf of its membership of the obligations that an act like this would impose upon them, having to disclose information of their patients to law enforcement agencies or other government agencies under certain defined conditions. Doctors, of course, and their representatives spoke passionately about the confidential nature of the information that's exchanged between them as practitioners and their patients and the fiduciary responsibility and the moral commitment that doctors make to dealing with their patients and the information that they surrender to them about very personal sorts of things about themselves and not to disclose it to third parties. So that was one concern that was expressed.

10:40

On the other hand, of course, we heard from representatives of pharmacists, from representatives of pharmaceutical companies. The pharmacists, on one hand, and the pharmaceutical industry, on the other, for different reasons wanted the ability to have access to the information, especially information having to do with the use of certain drugs or the pattern of drug use by us as patients. The concern among the committee members and others that was put before the pharmaceutical industry representative at the time was, of course, about the nature of the commercial interests that the pharmaceutical industry would have in having that information and wanting to promote or to market certain drugs. Was the commercial interest of the pharmaceutical companies the same as the public interest that the changes in the Health Information Act were supposed to serve? So very serious issues were raised and dilemmas presented to this committee.

This bill, I think, needs a very thorough scrutiny of this Legislature before it receives its support and final consent. I would be very concerned if this piece of legislation makes it obligatory for doctors to disclose the information then prevents the doctors from receiving in the first place the very relevant information that they need in order to provide the proper treatment for their patients.

If the patients know that the information that they are giving to their doctors is likely to be disclosed and that doctors have no

recourse but to disclose it because they are required by legislation to do so, they may under certain conditions be reluctant, as a matter of fact, to share that information with their own doctors. This patient/doctor relationship adopts a relationship of confidentiality and mutual trust. The doctors see themselves as the trustees of the information in the interest of the person who's providing that information; that is, the patient. So there is a risk in requiring disclosure of patient information by doctors to third parties that either that doctor will have difficulty adducing that information from their patients and, therefore, will err in making appropriate diagnoses and prescribing appropriate treatments subsequent to that or that the doctors might be conflicted by the oaths that they give with respect to respecting that confidentiality, on the one hand, and then breaching that confidentiality because a particular piece of legislation or statute requires them to do so.

So those are some of the sort of principle concerns that were expressed, I think, to the committee. I believe it's two or three years ago. I hope I'm not oversimplifying those. The contents of this bill need to be judged and scrutinized in light of some of these principle considerations, which have to do with our obligation to protect the nature of the doctor/patient relationship that the medical profession considers essential to enhance their ability to provide the best possible care that they can to their patients. What's at stake if diagnostic errors are made because appropriate information is not accessible to doctors is the health of the patients, of course, the health of Albertans, the increased costs to the public health care system because if the diagnosis is wrong, then clearly the resources that the doctor commits to providing a cure or a prescription may be wasteful.

Thirdly, the efficiency of the system in general in terms of providing timely medical service which is appropriate to an Albertan suffering from a certain illness or disease may be compromised, and the cost-effectiveness of the system may also be compromised. So there are important considerations here that I think need to be addressed as we go through this bill, particularly during the next phase of its study, during the clause-by-clause study and the debate during the committee stage.

At this stage I think I just wanted to lay out some of my recollections from my work on that committee. In fact, Mr. Speaker, you might have been on that committee as well. I'm not sure if you were on it, but I think you might have been.

I think the intention of the legislation is made explicit in the news release from the Alberta Health and Wellness ministry. It says that the proposed amendments will do the following: "Allow information disclosure among governments and some third parties for the purposes of paying for services and ensuring accountability." Now, third parties could be insurance companies that provide insurance for some medical services that are presently not covered, but they could also come into the field to cover services that may be delisted in the future. So I have some concern about what these third parties are, what conditions are anticipated under which third parties will have access to this information for purposes of payment for services. It does concern me that this reference to third parties having access to this information for the purposes of payment for services may imply the introduction of private health care in this province. I just want to underline the fact that it's a possibility here and underscore the fact that there's a need to be concerned about what the bill might intend, in fact, to achieve.

There's another: "Allow discretionary disclosures for reasons of public safety and to prevent or report public health system fraud." Now, true, I think we need to make our public health system as fraud-proof as possible. That certainly would be important in order to increase its efficiency, reduce costs, and reduce waste, but again

I think we need to tread carefully with respect to this matter. We need to know what the instance of fraud is, what the possibilities are, what the potential for fraud is, and then take appropriate action if you're convinced that there is a serious problem.

"Allow Alberta Health and Wellness to better track drug trends." I think it's in principle not a bad thing because there are various drugs for the same illness that compete with each other for markets, and it is in the interest of the public health care system of Alberta, if it is to save costs, to be able to track drug trends and to identify drugs which are of equal value in terms of health outcomes but are, in fact, cheaper, and therefore doctors and the medical profession perhaps should be encouraged to prescribe those rather than the more expensive drugs which may be marketed through high-pressure marketing activities by pharmaceutical companies. Fine. Again, I think that as long as this drug tracking is for purposes of controlling drug costs and ensuring that appropriate drug use is made in the system, it's something that is worth our support, but we need to be looking at other implications of it.

10:50

Another purpose that's stated here in this release is, "Facilitate greater use of the electronic health record by giving pharmacists and doctors more complete patient drug histories." I think that's a very worthy goal to be achieved if we can achieve efficiencies through this electronic health record and transmission through those records of the appropriate information between and among doctors and perhaps between doctors and pharmacists.

Another purpose: "Protect the privacy of Albertans by ensuring their health and other personal information cannot be automatically disclosed in response to a United States court order under the Patriot Act." I think that is an extremely important concern. This is a concern that came up again and again at the proceedings of the committee. Mr. Work, the Privacy Commissioner, appeared before us, as a matter of fact, and undertook at that time to review, in conjunction with a review being done at the time by the province of B.C., to see what kind of legislative changes we need to make in order to protect the health-related information of Albertans that may be in the hands of insurance companies and others which are subject to the PATRIOT law in the U.S.

So, Mr. Speaker, I thank you for this opportunity and will sit down and give other members a chance to speak too.

**The Deputy Speaker:** Are there others?

The hon. Member for Calgary-Nose Hill to close debate.

**Dr. Brown:** Mr. Speaker, I've spoken at some length regarding the contents of Bill 31 at the time that I moved second reading. I will have some further comments to make in response to issues raised by members of the opposition when the bill moves to committee. I would urge all members to support Bill 31 on second reading.

[Motion carried; Bill 31 read a second time]

head: **Government Bills and Orders  
Committee of the Whole**

[Mr. Marz in the chair]

**The Chair:** I'd like to call the committee to order.

**Bill 14  
Health Professions Statutes Amendment Act, 2006**

**The Chair:** Are there any comments, questions, or amendments to be offered with respect to this bill? The hon. Member for Cypress-Medicine Hat.

**Mr. Mitzel:** Thank you, Mr. Chairman. I'm pleased to have the opportunity to address the remaining issues and questions that were left outstanding during second reading.

Before I do that, however, I'd like to introduce an amendment being proposed for Bill 14 and ask for its circulation in the House. Perhaps I'll wait until it's circulated.

**The Chair:** We will call this amendment A1.

Hon. Member for Cypress-Medicine Hat, you may proceed on amendment A1.

**Mr. Mitzel:** Thank you, Mr. Chairman. Section 2(18)(b)(iv) of Bill 14 contains an amendment to the practice statement of opticians which includes a reference to assessing eye health. The intent of the amendment is to ensure that the college of opticians has the jurisdiction to regulate its members when performing assessments, including sight testing and refractions. This activity is currently undertaken by opticians. While Bill 14 met this objective, the College of Optometrists is concerned that the use of the term "assess eye health" implies a broader range of activities.

The councils of the Alberta College of Optometrists and the Alberta Opticians Association have agreed to a revision that would replace the phrase "assess eye health" with "conduct assessments." The proposed House amendment will continue to meet the original objective, using wording that has been agreed on by both optometrists and opticians. The proposed amendment is intended to reflect the service currently provided by opticians, which is conducting assessments. The amendment does not change the scope of practice.

With that, Mr. Chairman, I'd like to move the amendment, which states that section 2(18)(b)(iv) is amended in the proposed clause (c.1) by striking out "assess eye health" and substituting "conduct assessments."

**The Chair:** The hon. Member for Edmonton-Centre on A1.

**Ms Blakeman:** Thank you very much, Mr. Chairman. I have received some correspondence, not truckloads but some, from opticians operating in Edmonton-Centre. They have put the case before me as well that is in fact reflected in this government amendment, so obviously the government heard a good deal about it as well. The issue that was being raised was that it should not expand the scope of practice beyond what was laid out. This does give the impression that it was going to be allowing for prescription services for the opticians to be prescribing, which would be expanding their scope of practice.

Obviously, this is a fairly comfortable fit for everyone that is involved in this particular area, and I have no objections to it. We have not received any stakeholder feedback that would indicate that there is a huge push-back against what is being proposed here. Everyone seems to be willing to accept it, and I am willing to do that as well.

Thank you.

**The Chair:** The hon. Member for Edmonton-Calder.

**Mr. Eggen:** Thanks, Mr. Chairman. I, too, have received a fair bit of information regarding this concern of opticians in regard to this one particular section. I do want to acknowledge the hon. Member for Cypress-Medicine Hat's capacity to recognize this as well. Undoubtedly the other side was receiving the same sort of message.

This amendment to section 2, sort of changing the language and making it less specific, is certainly welcome from that industry. I had said before in second reading of this bill that, in fact, we had to

be very careful about repealing provisions and changing the regulation of the ability for certain professions to carry out certain procedures. I think we have to be sure that we're consulting with the various practitioners of all health care professions before we mess around with it.

**11:00**

Of course, the individual colleges that might dictate pharmacy and medicine and optometry and dentistry and the like all have their own very specific concerns. In fact, I received some correspondence from the massage therapist practitioners speaking specifically on section 25, making sure that they are not excluded from determining their own profession regarding the dissemination of information and application of their craft.

I think that it's important for us to recognize the value of this particular amendment. I, in fact, welcome it, and so do the opticians. Thank you.

**The Chair:** The hon. Minister of Municipal Affairs.

**Mr. Renner:** Thank you, Mr. Chairman. I would like to speak briefly to the amendment as well. As you know, in years past I spent a good deal of time as an elected official working on the Health Professions Act and so came to know many of these professions almost on a first-name basis, so to speak, and became very, very familiar with some of the issues that are involved. The issue with respect to eye health is a long-standing one that we spent many, many hours on in discussion with the various professionals that are involved in providing services, with the optometrists, the opticians, and the ophthalmologists, or the three Os as they became affectionately known.

I think what needs to be made very clear through this amendment is that the prescribing of lenses continues to be a restricted activity and is not involved in the scope of practice for the opticians. There has been some confusion about whether or not the conducting of assessments as is proposed in this amendment would include prescribing corrective lenses. I'm satisfied in the discussions that I've had with the member as well as the minister that this amendment and the intent of the bill itself is to clarify that the conducting of assessments is a completely different service than the prescribing of lenses, which remains a restricted activity and would not be done by anyone other than those that have the restricted activity within their scope of practice.

With that, I support the amendment before us.

**The Chair:** The hon. Member for Lethbridge-East on the amendment.

**Ms Pastoor:** Yes, Mr. Chair. Just for clarification may I ask a question on this?

**The Chair:** Yes.

**Ms Pastoor:** Thank you. I guess that my question would go to the mover of this amendment. I would like to know if, in fact, the prescribing of prescriptions, then, would still remain with the ophthalmologist. I'm thinking of prescription drugs, drops, et cetera.

**Ms Blakeman:** Yes.

**Ms Pastoor:** But not with the opticians?

**Ms Blakeman:** That's right. It's not expanding this one.

**Ms Pastoor:** Thank you. I have my question answered. Thank you to my hon. caucus member.

**The Chair:** The hon. Member for Calgary-Nose Hill.

**Dr. Brown:** Thank you, Mr. Chairman. I do have a couple of concerns and questions for the hon. Member for Cypress-Medicine Hat regarding conducting assessments which are referred to in the amendment. What I would like to be informed on is whether or not refractions are part of those assessments and, as the Member for Cypress-Medicine Hat had indicated, whether or not those would be used for the purposes of prescription? While I recognize that prescriptions would not be to an outside body or an outside provider, would it be possible to do an assessment and have those lenses prescribed in-house? In other words, would there be some limitation on the choice of the individual if they did have an assessment or a refraction done in the context of the optician's office?

**The Chair:** The hon. Member for Cypress-Medicine Hat.

**Mr. Mitzel:** Thank you, Mr. Chairman. In answer to that question, basically refractions refer to tests that measure the refraction error of the eye. The tests are noninvasive and are not dangerous in any way. The purpose of the test is to gather information. A similar example would be blood pressure testing, which is noninvasive and provides information. Basically, refracting is collecting data. The amendment on conducting assessments was agreed to by the College of Optometrists and the Opticians Association as an alternative to having the words "assess eye health" because they felt that assess eye health was too broad a statement that perhaps could be construed to be out of their scope of practice. So that's why it was changed. They both agreed to that, and that is why the amendment is here.

To answer the other part of the hon. Member for Calgary-Nose Hill's question regarding prescriptions, as I mentioned, refracting is collecting data. In fact, the chair of the ophthalmology department at the U of A wrote me a letter, and he clearly supported the practice of opticians doing refractions because adding refractions to the practice statement for opticians does not give them the right to prescribe. It only ensures that those opticians who are currently refracting may be appropriately regulated under the regulations for the college of opticians of Alberta under the Health Professions Act.

**The Chair:** The hon. Member for Drayton Valley-Calmar.

**Rev. Abbott:** Thank you, Mr. Chairman. A question for the hon. member. You just mentioned that opticians are not allowed to prescribe. I understand that when optometrists write a prescription, that that can be used anywhere. They can take that prescription and use it anywhere, you know, to obtain glasses or contact lenses or whatever. I'm just wondering: if opticians are allowed to do refraction, is that not then used to prescribe or, I guess, to make glasses or to make contact lenses? If it is, then is this not the first jurisdiction in North America to allow opticians to perform a refraction?

**Mr. Mitzel:** Mr. Chairman, are we not still speaking to the amendment?

**The Chair:** Yes. We are on amendment A1.

**Mr. Mitzel:** Okay. I'll continue on, then, with refractions. Really, refractions are not part of conducting assessments as far as the terminology for the amendment is concerned, but if you wish, I can continue on.

**The Chair:** As long as your comments are restricted to amendment A1.

**Mr. Mitzel:** Okay. Well, you mentioned prescriptions. As I mentioned before, opticians can perform refractions, which is gathering information. This information then is sent to optometrists in order to do a prescription. Opticians cannot prescribe.

**Ms Blakeman:** They collect the information.

**Mr. Mitzel:** They collect the information. That's correct.

**The Chair:** Are you ready for the question on amendment A1?

**Hon. Members:** Question.

[Motion on amendment A1 carried]

11:10

**The Chair:** On Bill 14, the Health Professions Statutes Amendment Act as amended, the hon. Member for Cypress-Medicine Hat.

**Mr. Mitzel:** Thank you, Mr. Chair. I'd like to now address some of the issues that were raised during second reading. The hon. Member for Edmonton-Centre expressed concern about the statute of limitations being increased to two years and that increasing the timelines from six months to two years may not be enough time. I really appreciate the concern. It should be noted, however, that the two-year time limit refers to the time for the commencement of the prosecution.

There was also a concern expressed that the minister is being given the authority to choose who is recognized as a member of a profession. The issue is regulating, not recognizing, professions. Not all professions are regulated. As currently worded, an application to regulate a health profession under the Health Professions Act must be made by an association representing the majority of the practitioners in the profession. To determine that an association represents a majority of persons carrying on that profession in Alberta, it's necessary to identify the members or practitioners of the profession currently practising. This includes identifying the members of the association making the application and other practitioners who are not members. This is extremely limiting. Also, it is often only when legislation is being developed that basic requirements for entering into the profession are clearly defined. Thus, before a decision is taken to regulate the profession, it may not be clear whether an individual will ultimately qualify as a member of the profession.

The amendment would give the minister a broader discretion to initiate investigations where appropriate. With the amendment any professional association representing practitioners of the profession could apply to the minister to have a health profession regulated. The minister must then decide whether it's in the public's interest to proceed with the application. The association making the application simply initiates the process. It does not necessarily define the scope of the investigation, nor will the association making the application necessarily become the regulatory body for the profession. It's important to emphasize that the minister is not being given the authority to choose who is regulated or recognized. That decision rests ultimately with the Legislature. Professional self-governance is not a right but a privilege which is delegated to professions only when the public interest is served by doing so and the advantages clearly outweigh the disadvantages.

There was a concern about the Association of Massage Therapists

and Wholistic Practitioners being left out and whether there would be consideration of a lower level of training or varied levels of training so that they could still be regulated. The first issue that has to be considered is if this profession should be regulated. An investigation to determine whether a profession should be regulated under the Health Professions Act would not leave any association or group of practitioners who want to be heard left out of the investigation process. In conducting an investigation the Health Professions Advisory Board would be expected to ascertain the qualifications and the minimum standards of competence that are required for a person applying to practise their profession. When a decision is made to regulate a profession, the intent is not to take away a practitioner's ability to accept referrals or to charge for the provision of massage services, rather it's to ensure the practitioners who do so meet acceptable standards.

Any regulatory initiative would have to address the concerns of current practitioners who do not meet the requirements for registration once these have been determined. Having different levels within the profession is certainly one option. Other options include grandfathering and allowing for upgrading programs or opportunities to challenge the requirements. The amendment to the act will allow the minister to initiate the process to determine if the regulation is appropriate.

The hon. Member for Edmonton-Ellerslie said that for the last 22 years the province has required that an application for regulation by health professions must be made by an organization that represents the majority of the persons carrying on that profession. In point of fact, that's not the case. Before the Health Professions Act, the Health Disciplines Act generally permitted an association representing a health profession to apply under the act to have a health discipline designated. The only time the Health Disciplines Act required that the association represent a majority of practitioners was if the application concerned a profession that was already regulated. This ensured that if a profession was regulated by another statute, the government would only consider bringing the profession under the Health Disciplines Act if the majority of the members of the profession agreed. The provision addressed a concern that a disgruntled minority within a profession or perhaps a minister would initiate an investigation and force a profession that was already regulated under the Health Disciplines Act.

[Mrs. Jablonski in the chair]

There was mention of the health policy framework. The Health Professions Act, not the bill being debated today, is mentioned in the framework. The act was passed in 1999 and came into force in 2001. The amendments before us have risen from issues experienced by the professions and the government in administering the act since it came into force.

In regard to the professional regulations that are under development, the regulations for chiropractors, dental hygienists, opticians, respiratory therapists, occupational therapists, and pharmacists are being finalized. The process, however, takes time as final drafting issues still need to be resolved. Once a draft is finalized, it must be approved by a council of the college before it is submitted for final approval by the Lieutenant Governor in Council. Specifying a date when a professional regulation may be ready is not realistic. Nonetheless, it's anticipated that these regulations will be forwarded for approval this spring.

The hon. Member for Edmonton-Calder raised a concern about using the term "specialist" in an injudicious manner. The addition of this authority will permit the regulatory bodies for each profession to restrict the use of the title "specialist" by their members. This

authority will provide a level of protection to the public. If a member of a profession specializes in an area of practice – for example, a physical therapist who is a sports medicine specialist – and wants to advertise to the public as such, that member may be required to meet the criteria set by the council of their college.

The hon. Member for Calgary-Mountain View said that there was a need for every profession to have a separation between their licensing body and their professional interest body. The Health Professions Act does not require absolute separation between regulatory and union functions. With respect to fee negotiation and other economic activities, the act mandates a functional separation but not an absolute physical separation.

Further to the minister's comments regarding consultation transparency, the amendment to section 25 of the Health Professions Act simply enables the minister to initiate the process to determine whether or not it is appropriate to regulate a health profession. Within that process, organizations that represent the practitioners of the profession in question and other professions will have an opportunity to participate in the Health Professions Advisory Board process.

Thank you, Mr. Chairman. These are my comments, and I ask the committee for consideration of Bill 14.

**The Acting Chair:** The Member for Edmonton-Centre.

**Ms Blakeman:** Thanks very much, Madam Chair. Thank you for the explanation from the sponsoring member. I am going to go back to a couple of areas that I raised concerns on.

For the most part, he did answer my question or address my concerns, but the area that is continuing to cause the most acrimony or conflict is the section in this bill which appears as section (4), which is amending section 25 of the original bill. Specifically, that's the one that is taking out the provision that an application would "be made by an organization that represents the majority." That's being deleted, and essentially it's now being left to the discretion of the minister. "If the minister is satisfied that this is in the public interest," they can proceed, which frankly I think is a good amendment to be bringing in. We have some long-running, acrimonious difficulties with some professions that have either subsections or have developed sort of additional arms of their particular kind of practice, and the majority rule just doesn't work. The minister does need the flexibility, and I recognize that. As I said, I'm supportive for the most part.

**11:20**

However, the concern that I brought forward was around addressing that concern that manifests itself most distinctly in the massage therapist example, which is that you have a group of people who are not going to meet that standard. That's not to say that individuals may not progress beyond that and take additional training, but that level of health service provision is never going to meet the standard that's being set because the standard is one involving scope of practice for health professionals.

Essentially, massage therapists I think don't claim to represent themselves as health professionals, but they are offering a service that many people find contributes to their health and well-being. The issue here is that if they are not recognized officially in some way, they in fact would lose the ability to be charging for their services and being able to seek reimbursement through private insurance plans that detail, of course, that this has to be recognized in some way or that a doctor has given a prescription for the person to go ahead and do this.

I'm still looking for some kind of concrete accommodation here.

What I heard from the sponsoring member is: "Well, there are different ways of dealing with this. You could try this, or you could try this, or you could try that." What I'm looking for from the sponsoring member is confirmation that it's expected that the ministry will work with this particular group and any others in similar situations. I'm not aware of who those might be. I'm talking specifically about the massage therapists because they will have to fit to a different standard. I fail to see why we can't have a secondary standard put in place here that is a subsection that recognizes that the services provided can be recognized as helpful, with health meaning, but they don't meet the higher standard.

I think I gave an example before of when I was in British Columbia and had an injury that was causing me a great deal of pain. It was limiting mobility. I went in and I said, "This is what I need." They said: "Oh, yes, you need a registered massage therapist who has health training. They have three years' worth and X number of hours of supervised training. That's who you need because it's of a medical level." There was an arrangement made for me to hook up with that person the next day. The only thing they could offer me on the first day was, literally, a massage therapist who does a nice relaxing massage, which wasn't incredibly helpful to what I was seeking. But they recognize in B.C. that there are differing levels of it. I'm seeking assurance here that the department will proceed and work with the massage therapists immediately so that they don't get cut off. If this bill passes, that's essentially what would happen to them. Without assurance that work will be done to accommodate them, I raise serious objections. I guess that is what I'm saying.

Overall on that amending section I think it's a good idea, but here's the catch. This is the holdback. It may be the one and only exception, but it might be indicative of some other areas although I'm hard-pressed to think of what those might be. I'm looking for, rather than just a "well, this could happen or that could happen," an actual commitment that there will be an approach and a working relationship established between the massage therapists and department officials to in fact work towards some kind of accommodation. I don't want to leave these people out in the cold, in other words.

The one other section that was problematic for me – and I didn't hear the member address it – is the one around the complaints. Okay. That's coming up as section (7) in the bill on page 4, which is amending in the original bill section 54(1), which is striking out that a person may give a written, signed complaint to the complaints director regarding blah, blah, blah. That was being struck out, so it wasn't requiring a written complaint any more.

[Mr. Marz in the chair]

Then it went on to another section, in fact, section (8) in the amending bill, section 56 in the original bill, that's saying that, well, it could be done on oral information. I really believe that if you are making a complaint about somebody, if it's serious enough to start an investigation, then the information should not be oral or anonymous.

Now, if there were reasons of expediency or imminent danger or life-threatening or something, well, then let's put that in the act, but none of that is flowing from the amendment that I'm seeing here. I think what's important here is that we maintain the ability of someone, literally, to cross-examine their accuser, which is what our court system is based on. If I'm going to say, "You done me wrong, and you violated some particular provision," you've got the right to say: "Okay. You say that. You identify who you are." I get to question you about where that came from. We don't deal with stuff based on anonymous phone calls or, you know, a message left on an

answering machine or even an unsigned note slipped under the door. You can't do that here. You've got to know who you're talking about and what the contextual circumstances are. On that basis, you could be going ahead and dealing with a complaint that's coming from someone who was, frankly, medically delusional or paranoid.

So I think we have to protect here, and either I didn't hear the explanation or the member didn't address it. That's the other area of concern that I have here. I was looking for something to be done to assure me that we would not end up in that situation, where this could be done anonymously or just on an oral basis. I think it is fairly serious when you start to get into complaints around professions and regulated professions.

Those continue to be my areas. I will look forward to hearing what the member has to say, and based on that, I will consider whether I will be supporting the passage of this bill in Committee of the Whole. Thank you.

**The Chair:** The hon. Member for Wetaskiwin-Camrose, followed by the hon. Member for Edmonton-McClung.

**Mr. Johnson:** Thank you, Mr. Chairman. My remarks will be short as I stand simply to voice a concern that has been presented to me. I've had constituents raise questions about refractions being performed by opticians who, I am told, do not have the training to detect possible eye health risks such as eye diseases. The question presented to me was whether or not there is any danger of compromising eye health through refraction examination by opticians. I wonder if the hon. Member for Cypress-Medicine Hat can clarify this for me.

**The Chair:** The hon. Member for Cypress-Medicine Hat.

**Mr. Mitzel:** Thank you, Mr. Chair. I'll clarify this first question, then get back over to the other questions. I might say thanks to the hon. Member for Wetaskiwin-Camrose. Performing refractions refer to tests that measure the refractive error of the eye, and the tests are really noninvasive. This brings up the issue that you mentioned about whether there's a health risk or not. They're not dangerous in any way. The purpose of these tests is to gather information, and as I mentioned previously, a similar example would be blood pressure testing, which is also noninvasive and provides information. It's collecting data, and really that's what it is. I hope that answers the hon. member's question.

**11:30**

Back to the questions from the hon. Member for Edmonton-Centre regarding the massage therapists. As I mentioned in my remarks on the previous question, there is an option there for perhaps grandfathering or for allowing for upgrading programs or whatever. But besides that, I think the amendment refers to the initial application received by an organization. This is an organization seeking to become a regulated profession. That's really what this amendment speaks to. It's been difficult in practice to know whether a group represents a majority.

The amendment allows, I believe, for greater flexibility. I know that the member asked about whether there would be assurances that there would be different levels of training that would be regulated. This amendment allows for more flexibility to let this happen and for any of these referrals of applications to the Health Professions Advisory Board, the body responsible for undertaking the investigations of the applications for regulation. I think there's flexibility in the amendment to allow that to happen. To state emphatically that it's going to happen: I don't believe that's what the amendment was for. It's to allow the flexibility to be able to do this.

On the other point that you had, with regard to section 54(1), you spoke to the complaints. Really, 54(1) has been changed and substituted to say that "a person who makes a complaint to a complaints director regarding a regulated member or a former member must do so in writing and must sign the written complaint." It also goes on in section 56 – this has been amended though – to clarify that a complaints director will have the flexibility to accept a verbal complaint should a circumstance arise. So what it's doing, really, is giving the complaints director or the minister the flexibility to address this.

**The Chair:** The hon. Member for Edmonton-McClung.

**Mr. Elsalhy:** Thank you, Mr. Chairman. I, too, will promise to be brief on this Bill 14, the Health Professions Statutes Amendment Act, 2006. I have general comments and then one specific comment at the end.

My general comment is with regard to something I talked about earlier when we were discussing Bill 31, Health Information Amendment Act, 2006. It's that angle of working collaboratively and looking at the patient from a holistic standpoint: one patient, multiple-disease state or multiple afflictions, many practitioners looking after that one person. However, it's the model that is currently being proposed in Alberta, which is the working together model and practitioners co-operating and sharing information.

I do not disqualify, of course, that there are situations where we need regulations. We need professional conduct guidelines, codes of ethics, competency assessments, requirements for continuing education, and discussions or decisions made on membership fees for belonging to a certain professional body, like a college or an association, for example. I mentioned that, you know, some of those concerns are general, and they don't really pertain to one profession or the other. You can apply the same argument to any number of professions, and it equally holds.

How about if we talk about professional fees charged for various services rendered? Physiotherapists, for example, a while back raised concerns with respect to the fees they can charge and the number of visits a patient is entitled to have; for example, after a motor vehicle accident. Many of the concerns were basically stemming from what they perceived to be lack of consultation. They were not involved in the decision-making, and they feel that the decision was basically arrived at by insurance companies sort of lobbying to go a certain way. They don't feel that they can deliver a good enough service or a professional, quality service for the fees that they can now collect. Many of them have let staff go. Many of them have reduced their hours of operation and things like that. So the issue of consultation, the issue of, you know, what is deemed appropriate, what is deemed fair from a compensation standpoint . . .

**Ms Blakeman:** Why do we allow an insurance company to set the rate?

**Mr. Elsalhy:** Why do we allow an insurance company to set the rate, which sometimes might appear to be lobbying from big business to do something that is not necessarily in the best interest of the patient? You can look at it from a conflict of interest standpoint as well because insurance companies should really just provide what is necessary because they collect hefty amounts of money, and when it's time for them to furnish a service or cover it, then they look for ways not to.

Take pharmacy, as another example, and the difficulties pharmacists face when negotiating fees with Alberta Blue Cross either

annually or every number of years. You know, Mr. Chair, it is not known to me and to many professionals and many Albertans whether, in fact, Blue Cross receives any sort of direction from the government or whether they operate at arm's length. Sometimes it is convenient to say that they're independent and that they run their own affairs, but then at other times they are portrayed to be an extension of the government and that it's the Alberta provincial insurance agency or, you know, state insurance.

I can go on, Mr. Chair, but the point really is that government, third-party payers, and front-line providers, no matter which profession you're talking about and which service is being provided, should sit down together in good faith to discuss the issues, determine the fees, determine what's provided for, what's covered and what's not. Potentially, you can even expand it to include members of the public because the trend now is to include members of the public on various committees and various boards. So why not involve them in the negotiation process whenever a profession is dealing with the government or with a third-party payer to arrive at those fees?

Now, the specific point that I referenced earlier was definitely mentioned before and was touched on by the hon. sponsor of the bill – and I thank him – and also by my colleague from Edmonton-Centre. It's with regard to the Association of Massage Therapists and Wholistic Practitioners. I, too, received a communication from them. It was really pleading with myself and members of this Assembly to try to intervene on their behalf because they feel that they were left out, that they were not adequately and thoroughly consulted. In fact, in their own words, they say that they knew about this amendment simply by chance.

One of their arguments, which I find strong, is that the consultation paper which was sent out was sent out to groups that are deemed to be health profession regulatory boards, but they think – and I agree – that the discussion should have involved people who are on volunteer boards. So not the regulated associations but the volunteer professional organizations. The other thing they object to – and I kind of agree – is that the amendment was deemed to be minor and that it was only like sort of housekeeping or a little cleaning, but we feel that it really does involve a big scope, and it's not anything minor.

We discussed section 25(2)(a), which talks about organizations making an application when they are representing a majority of those members. The Association of Massage Therapists and Wholistic Practitioners and myself to some extent are concerned that maybe in the future, because now we're allowing minority organizations to apply, we might be dividing professional bodies into competing or quarreling factions. You know, a certain group of practitioners might apply to the one agency because their policies are favourable. Another group might apply to that other one because their professional standards are higher. Then you might have situations where you get disparity in the level of quality of service and also in the fees charged. You will notice that things will become not even or not fair across the board.

So with that, Mr. Chair, I thank you for this opportunity to put my concerns on the record, and I invite further discussion.

11:40

**The Chair:** The hon. Member for Cypress-Medicine Hat.

**Mr. Mitzel:** Thank you, Mr. Chairman. Thank you very much for those remarks from the hon. member. A lot of the remarks that the hon. member made really concerned the professions and the practitioners co-operating, but the bill really speaks not to that they're allowed to charge but whether there's an opportunity to have

them officially recognized so that they can be regulated. I agree with the member that certainly they should get together and work out proper payment schedules that fit the needs that are there. I've heard the same remarks from practitioners and from other residents in my constituency regarding the inability to receive the amount of service that's required in order to be able to get whatever condition they have corrected.

I think the other item that you mentioned was with regard to the massage therapists, and you're right. As I mentioned, they certainly feel that they have been left out, and I've also received those same letters. Really, I guess this is where the bill is hopefully set up so that with the flexibility there will be an opportunity for the minister to be able to address whether any one of those different groups should be or should not be regulated, whether they should be organized as a profession. This goes back to the comment that the Member for Edmonton-Centre mentioned about perhaps different levels of training. So I think the flexibility is there. I'd certainly hope it is.

**The Chair:** The hon. Member for Drayton Valley-Calmar.

**Rev. Abbott:** Well, thank you, Mr. Chairman. I know I sort of touched on this during the speech on the amendment, but I guess I would just like to ask if the hon. Member for Cypress-Medicine Hat is aware of the letter from the Alberta Association of Optometrists dated May 1, 2006, which says that optometry is not willing to live with opticians performing refractions. Again, I'm wondering if the hon. member is willing to add the word "supervised" somewhere in this Committee of the Whole stage, if he could add the word "supervised," saying that the opticians must be supervised by optometrists in order to make sure that the right job is being done here. So it's just a question, I guess, to the hon. member, and I'm wondering if he's seen this letter and what his response is to it.

Thank you.

**The Chair:** The hon. Member for Cypress-Medicine Hat.

**Mr. Mitzel:** Thank you, Mr. Chairman. Yes, I have seen the letter. I've gone through it, and I've spoken to the executive director of the College of Optometrists, and I've spoken to the executive director of the association of opticians also. The point is that when we tried to get consensus between both those organizations, we could not get that consensus, and that's why that was not put in there.

I think I can harken back perhaps to an incident some years ago when optometrists were given the authority to provide medicine, to provide drugs. Now, the college of ophthalmologists protested very, very strongly with regard to this. The same type of discussion and concerns and differences were raised then as are raised now with the opticians and the optometrists. That whole thing has become a nonissue for the ophthalmologists and the optometrists, and they're working together. It's our hope that this same thing will happen with the opticians and the optometrists.

**The Chair:** The hon. Member for Edmonton-Centre.

**Ms Blakeman:** Yes. Thank you. I think that in the last go-round the sponsoring member got closer to what I was looking for, which was some sort of lifting beyond what was actually on the page here. Essentially, we're creating a situation with this amending act that didn't exist before, and it has implications for a group of people who were able to get references through the health care system and charge for their services. With the passage of this, they will no longer be able to do that. I was looking for assurance from the

sponsoring member that there were other ways for the group to go at it, that the ministry was willing to do it, and I've now heard that from him.

I'll be going back to the Association of Massage Therapists and Wholistic Practitioners and advising that they get in touch with the department and start to work with the minister to see if they can get a secondary level of standards put in place that would address what they need to do from a public health point of view, for example. So the possibilities are there, I have the assurance, it's in *Hansard*, that's what I was seeking, and I'm happy to go forward with the act at this point.

Thank you.

**The Chair:** Are you ready for the question on Bill 14, Health Professions Statutes Amendment Act, 2006?

**Hon. Members:** Question.

[The clauses of Bill 14 as amended agreed to]

[Title and preamble agreed to]

**The Chair:** Shall the bill be reported? Are you agreed?

**Hon. Members:** Agreed.

**The Chair:** Opposed? Carried.

#### **Bill 25 Securities Amendment Act, 2006**

**The Chair:** The hon. Member for Grande Prairie-Smoky.

**Mr. Knight:** Thank you, Mr. Chairman. I appreciate the opportunity this evening to speak to Bill 25, Securities Amendment Act, 2006, again. I appreciate the comments made earlier this month by the hon. members for Edmonton-Rutherford and Edmonton-Beverly-Clareview. I'm pleased that they both recognize the importance of the legislation. The Member for Edmonton-Rutherford indicated that he generally supports the legislation, most especially the provisions enhancing investor protection. There are two House amendments to Bill 25. I will get to them momentarily.

First, I'd like to respond to comments raised by the hon. members during debate in second reading two weeks ago. Both members talked about the idea of a single securities regulator for Canada. Certainly, this is not surprising. You know, the mention of it, of course, was even in the last amendment that we brought in a year ago. The question was brought up then, and we had some debate with respect to it. The answer now, Mr. Chairman, is no different, really, than it was then. The provinces and territories may one day decide to go down the road toward a single securities regulator for Canada, across the country, but we don't really know when that will happen, and we can't predict the future. At this point all of the provinces are not prepared to do that.

Regardless, I think that what we need to focus on now are the steps in this legislation. They're steps that must be taken whether or not we end up with a single regulator. Whether Canada's capital markets are eventually regulated by a single authority or not, we're out competing on a global scale, and these amendments are necessary. If we're to remain competitive, we need to harmonize securities regulation across the country and broaden the passport system implemented last year.

Part of harmonizing Alberta's securities regulatory regime with

other Canadian jurisdictions involves repealing some provisions of Alberta's existing Securities Act. Those provisions would then be placed into national rules. I'm aware that both members were wary of this during second reading debate. However, national rules, or national instruments as they are called, are subject to a public consultation process. Canadians and, of course, Albertans will still be able to review the proposed regulations and provide their input.

Mr. Chairman, previously the hon. Member for Edmonton-Rutherford praised the investor protection aspects of Bill 25 but said that he wanted to see more in the way of enforcement. Certainly, enforcement and investor protection are key priorities in the ongoing work between Alberta and its partners in security reform, but I would remind the hon. member of some of the improvements to enforcement that we added to the Securities Act last year. Briefly, the changes included a broader and more powerful prohibition against making untrue or misleading statements, prohibiting manipulative transactions and trade activities that artificially inflate the market, adding a prohibition against front-running, adding a new obstruction of justice prohibition dealing with activities that hinder or interfere with reviews and investigations, and expanding the insider trading prohibition.

**11:50**

Mr. Chairman, that's in addition to giving the Alberta Securities Commission and Alberta courts new enforcement powers and increasing the maximum administrative penalty available to the commission to \$1 million. I know that the hon. Member for Edmonton-Rutherford expressed some concern earlier at the amount of the penalty, however, but I must say that it's in line with other large jurisdictions in Canada, including Ontario.

Now, I realize that the hon. members had some other concerns, but let me remind them that this is part of a much larger, ongoing process. Canada leads the Council of Ministers of Securities Regulation and is working diligently with the other provinces and territories to improve the securities regulatory system in Alberta and across Canada. Investor protection, which is closely linked to enforcement, is a fundamental objective of the work the provinces and territories are doing under the memorandum of understanding that was signed in September 2004.

Mr. Chairman, I hope these comments are helpful in clarifying the issues before the Assembly.

I would ask to have the amendments we are proposing distributed.

**The Chair:** We will refer to this amendment as amendment A1.

**Mr. Knight:** Thank you.

**The Chair:** We'll just wait a moment until they're distributed.

Please proceed, hon. member.

**Mr. Knight:** Thank you, Mr. Chairman. Amendments to Bill 25, Securities Amendment Act, 2006, are as follows. Section 3 is struck out and the following is substituted: sections 7 and 7.1 are repealed; section 36 is amended by striking out "and" at the end of proposed section 180(1)(d) and substituting "or".

Mr. Chairman, to speak just briefly to the amendments that we're proposing, the first amendment is the provision on deemed insiders of an income trust and, along with other detailed insider reporting requirements, is being repealed so that it can be placed in national rules.

Section 36 of the Securities Amendment Act, which amends 180(1)(d) in the Securities Act, will be changed by replacing the word "and" with the word "or" at the end of the section. What that

does is make it consistent with the structure of section 35 in the Securities Amendment Act.

Thank you, Mr. Chairman.

**The Chair:** The hon. Member for Edmonton-Gold Bar on amendment A1.

**Mr. MacDonald:** Yes, Mr. Chairman. In regard to this amendment could I have some clarification, please? I don't see this amendment as signed by either the hon. member or Parliamentary Counsel. Is it just the original that was to be signed or the entire House that was to receive a signed copy? Could you clarify that for me, please?

**The Chair:** Hon. member, if you look up in the top left-hand corner, it's initialled. It's a government amendment, and that's apparently acceptable. Peter Pagano.

**Mr. MacDonald:** Thank you, Mr. Chairman.

Now, at this time I have a question for the hon. member, and it isn't specific to this amendment but to the remarks that he made leading up to the introduction of this amendment. Perhaps I will cede the floor to another hon. colleague until this amendment is dealt with, and I will direct my questions at that time to the hon. member.

Thank you.

**The Chair:** Anyone else wish to speak to the amendment? Are you ready for the question on amendment A1?

**Hon. Members:** Question.

[Motion on amendment A1 carried]

**The Chair:** Now, on the bill. The hon. Member for Edmonton-Gold Bar.

**Mr. MacDonald:** Yes. Thank you very much, Mr. Chairman. I have a question for the hon. member in regard to the administrative penalty. The hon. member, in his remarks about 10 minutes ago if I heard him correctly – and if he could clarify this, I would be grateful – indicated that there was an increase in the administrative penalty. This was in regard to the commission. There was to be an increase in the administrative penalty to a figure of not more than \$1 million for “each contravention or failure to comply. Now, section 199 presently reads, as I understand it, and I'm quoting here, Mr. Chairman, “The commission may order the person or company to pay an administrative penalty of not more than \$1 000 000 for each contravention or failure to comply.” Could the hon. member please clarify what exactly he's referring to when he indicates to the House that there was to be an increase in this administrative penalty?

Thank you.

**Mr. Knight:** Mr. Chairman, if I might. The part that would've been perhaps misunderstood was that what I did say was, “I would remind the hon. member of some of the improvements to enforcement that we added to the Securities Act last year.” That was one of the amendments that we made last year. So what you're reading there is exactly right: it was a million dollars. That's already been done. We're not doing that in this particular amendment. It was an amendment that was done in the last Securities Act amendment.

**The Chair:** The hon. Member for Edmonton-Gold Bar.

**Mr. MacDonald:** Yes. Thank you, Mr. Chairman. I appreciate that clarification from the hon. member.

Now, in regard to the commission and the fact that there was a substantial increase in Alberta Securities Commission fees in the hon. Minister of Finance's recent budget. I believe it was an average of about 8 per cent. I don't have the fiscal plan with me here. An hon. colleague borrowed it and has yet to return it. Could you confirm that the increase in fees to the Alberta Securities Commission is going to be used to pay for this increased enforcement as a result of this bill?

Thank you.

12:00

**Mr. Knight:** I would have to reply to the question, I think, by advising the member that I will get an answer for the question because I honestly couldn't say that the fees are directed specifically to enforcement. If that's the question, then I'm afraid that I'm unable to answer that question at this time.

**Mrs. McClellan:** The fees that are collected are entirely for the operation of the commission. The commission is not funded by the Alberta government at all. It is funded by industry. We can inquire as to whether they designate certain fees to certain parts of the operation, but I would suspect that it contributes to the overall operation of the commission.

**The Chair:** The hon. Member for Edmonton-Riverview.

**Dr. Taft:** Thank you, Mr. Chairman. I'm pleased to rise on Bill 25 here in committee. I feel that this is an important bill as it affects the operations of the securities market and a basic tool of the economy. I'm glad to see that we're debating it at some length here and, indeed, staying until after midnight to proceed with this because there are literally untold billions of dollars at stake in how we handle these debates and the rules we put in place.

As I think all members here will know, the Securities Commission in Alberta has been the subject of a lot of controversy in the last 12 to 18 months. As many people will also know, I have defended the notion of a local, provincially-based securities regulator, the Alberta Securities Commission, in contrast to many others in this country who support a single, national regulator. There are arguments on both sides.

My reason for supporting an Alberta-based provincial securities regulator is that they do allow some adaptation to local circumstances. They are more easily accessible to a local investment group, and indeed as we know, in Alberta in general and particularly in Calgary there's an extremely vigorous public investment community. For them to have direct access to a securities commission is important. For that securities commission to be harmonized with other securities commissions in Canada, as Bill 25 is doing, I think is a step in the right direction.

However, I am concerned – and I just wanted to get this on the record, Mr. Chairman – that at some point the credibility of the Alberta Securities Commission becomes so tarnished that I begin to wonder whether I ought not to change my position and consider supporting a national regulator. I haven't done that, but I have considered it, and I would do it with great reluctance. I need to be blunt: the only reason that I would do it is that the leadership provided by this government on the Securities Commission has been so weak and poor that the record of the Alberta Securities Commission is now really tarnished in Canada and, indeed, in some other international markets. I won't belabour the issue given the late hour, although there are members here who were asking me for details.

Bill 25, I think, is a complicated bill. I'm not an expert in the details of securities regulation, but I'm going to assume that it's well

crafted in pretty well every detail, although we have seen a couple of government amendments. Whenever that happens, it does make me wonder what other things might have been missed in drafting a bill. I'll assume that this bill is well intended and now, with the government amendments in place, is well crafted and will move forward with harmonizing Alberta's securities regulations with the rest of the country.

I am concerned that it's too late for that and that the forces moving towards a national securities regulator have now gained so much momentum because of the failures, frankly, of governments like this government to vigorously clean house in the Securities Commission, that in the longer term this entire bill may be overwhelmed by larger national forces.

It's a step in the right direction, but my real concern is that it's too little too late. Thank you, Mr. Chairman.

**Mrs. McClellan:** Mr. Chairman, I just want to make a couple of comments. I appreciate the support and the interest in the Securities Commission as an important part of our economy. I would reference the hon. member to my colleague's comments when he spoke to questions on second reading on this. Something that we have said consistently is that all of the work that we are doing in the passport system, which all provinces have signed onto in Canada with the exception of Ontario, does lead to a very positive end if it is decided at some point that there should be a common regulator. As I was reading the budget information from the federal government, there is a section in there – I'm sure that everybody is just gripped by reading this stuff – focusing on priorities, turning a new leaf on this, and they do talk about a common regulator.

What work we've done over the past two years is to ensure that we move to harmonization across Canada in an orderly fashion. In discussions with securities ministers on this, including Ontario, who has been involved in these even though they're not a signatory, and in discussions with the committee who provided the report, it was very accepted that all of the work that we have done is extremely beneficial down the road. None of it is wasted. It's recognized that if you were going to move to a common regulator or a national regulator, it would indeed take years to get all of the complexity of these securities regulators into place. So I want to reassure the hon. member that the work we're doing on this bill is important. All Legislatures in Canada with the exception of Ontario are doing this very thing. We have agreed on these amendments as a group of provinces, and we all agree that it's in the best interests of securities regulation, whether it's enforcement but mostly in harmonization so that we do have commonality.

There are, indeed, some concerns from some provinces that are very valid – they may not be our concerns – in moving to a common regulator. We're trying to understand their concerns, and we're trying to work with them to see if we can overcome those concerns so that we can further the harmonization of securities rules across the country.

I just wanted to assure the hon. member that the work we do on this is not wasted. It's important, whether we stay with the passport system, which may be, or whether we move to a common regulator at some point. I can assure you that Alberta's interest is in providing the best securities commission for our capital markets in this province.

**The Chair:** The hon. Member for Edmonton-Manning.

*12:10*

**Mr. Backs:** Thank you, Mr. Chair. I'm very pleased to rise today to speak to Bill 25, Securities Amendment Act, 2006. Like many

Albertans I'm very concerned that the Alberta Securities Commission operates in a fair and perceived to be fair manner. Some of the events of last year, some of the reports that we've seen in the media, and some of the godawful things we've heard in some of the executive suites of the Securities Commission have appalled many Albertans and have brought the whole system into disrepute.

Now, looking at this, it looks to harmonize, of course, and as the Leader of the Official Opposition, the Member for Edmonton-Riverview, has stated quite clearly, that is good for a qualified sense of agreement, I think, but we must be careful.

I have some questions. Part 1 on page 6 of the three-column document says:

Add a new provision following section 33 to permit the Executive Director to make permanent cease trade orders without a hearing against a reporting issuer for a failure to file continuous disclosure documents within the prescribed period or when an issuer agrees that its financial statements have not been prepared in accordance with . . . Generally Accepted Accounting Procedures.

Now, the question is: how can investors be confident that the executive director will enforce against his or this government's friends?

An additional concern is in part 5. The proposed amendment is to "repeal section 76 and replace with harmonized and modernized provisions that will permit the Executive Director to impose terms and conditions on a registration at his discretion based on Ontario section 26(2)." That's page 7 in the three-column document. We're again concerned about the executive director's discretionary powers, and I would ask that that be commented on to give us some real hope that this is going to be all above board.

Another question is in part 15, sections 184 to 192. That's page 19 in the three-column document. I wonder if you could please explain this section. Who will appoint the independent committee to oversee the activities of a mutual fund or a nonredeemable investment fund? How can investors be confident that their mutual fund company is not interfering with the company's own independent review committee?

These are a number of questions. I'll pause now. I may have some more at a later time here, but that's something to look at, and I would appreciate, you know, a comment on these items.

Thank you, Mr. Chair.

**The Chair:** The hon. Member for Edmonton-Rutherford.

**Mr. R. Miller:** Thank you very much, Mr. Chairman. I just want to go back, if I could, to the amendment that the Member for Grande Prairie-Smoky introduced. I didn't get up and speak to it, and we allowed it to go through, but I'm wondering if I could get some clarification because it really does put us at a bit of a disadvantage when an amendment comes forward that is striking a further section, but there's no reference in the amendment to what that section was.

In this particular amendment that the House recently passed, we changed the amending Bill 25, section 3, which read to strike section 7 in the current legislation, and we have now struck section 7 and section 7.1. I understand that the explanation that's offered in the bill on 7.1 is not required to be there according to legislation, but certainly we didn't have an opportunity to check what 7.1 was that we are now also striking. I'm wondering if you could offer an explanation as to what was in that section that has now been struck as well.

**Mr. Knight:** To answer the hon. member's question, Mr. Chairman, under section 3, section 7 is repealed in the act that we're dealing with here. Section 7.1 actually follows onto that. Section 7 is

“deemed to be an insider of a mutual fund,” and section 7.1 deals with “deemed to be an insider of an income trust.” So it’s the same; it just follows on. The one issue deals with mutual funds, and 7.1 deals with income trusts.

**Mr. R. Miller:** Thank you for that explanation. Perhaps I missed it earlier when you introduced the amendment, but is there some new provision in the regulation, then, that’s going to cover those off, or are they just deemed not to be necessary any longer?

**Mr. Knight:** If I might, Mr. Chairman, all this will do is put both the mutual fund insiders and income trust insiders – you know, it was a housekeeping thing that was obviously overlooked – into national instruments, the regulation around who is deemed to be an insider. That’s all it’s doing.

**The Chair:** The hon. Member for Edmonton-Calder.

**Mr. Eggen:** Thank you, Mr. Chairman. I guess my main concern with the whole act, then, is that it’s become painfully obvious that what we need to do is not just look for some piecemeal harmonization of the Securities Commission with the other securities across the country but, in fact, move to a national securities system as we’ve been pushing here for quite a number of months and through the last session. It seems obvious that there is an appetite for this in the financial community here in Alberta, and the majority of provinces are interested as well. Now, we could say that Alberta is the second, perhaps, biggest economy in the whole country and, certainly, very influential at this juncture. So I think that if we were to be the advocates of a national security exchange, probably that would tip the balance in favour of actually putting this together.

Mr. Chairman, my recommendation, then, in general and specifically on each part of this bill is that perhaps we can take it back to the salvage yard and take some small pieces that would otherwise form the bones or the beginnings of a national security exchange commission, and that’s, in fact, the way that we should be proceeding here in this House.

When we’re dealing with billions of dollars flowing through the stock exchanges and with Alberta’s economy moving so dramatically forward as it is, it’s just so important for us to provide that regulatory stability here from this Chamber and from a security commission that can be counted on as well. Really, considering the situation and the circumstances that have followed in the preceding months, I think we would be sending a very positive signal to the market that we, in fact, want to move national. When you’re looking for advantage for Alberta by introducing this idea and being sort of the leader in this, I think we would gain a lot of advantage and influence in defining the terms of what that national security commission is going look like.

So you sometimes have to seize opportunity when it presents itself. Timing is everything. I believe that we would be best served by, in fact, moving to a national securities commission, and we should take leadership in the formation of that. Really, this Bill 25 would be better served if we were kind of taking it to the scrap yard and moving it to build this national harmonization. There are lots of little bits here that could help that, but the ultimate definition of that harmonization would be to have a national securities commission.

Thanks.

**The Chair:** The hon. Member for Grande Prairie-Smoky.

**Mr. Knight:** Thank you, Mr. Chairman. Well, the debate goes on with respect to a national regulator. Certainly, we’ve had members

opposite indicate support for a national regulator and some that indicate displeasure in a national regulator. The displeasure in the national regulator, I guess, seems to be driven by the fact that they would like to have an Alberta securities regulator, but the mismanagement of the securities system in Alberta is so terrible that we are going to force somebody – I’m not sure who – to come into the province and take over the securities regulation and do it for us under a national securities regulator.

**12:20**

That might come to pass. I mentioned before that I really don’t have any way to predict the future. However, I do know what we’re doing today, and I know that there is not an appetite in the country at this point in time to have a national securities regulator. Ontario would like to do it if we do it under Ontario’s terms. In Alberta we’re not prepared to do that. We have an extremely robust securities trading market in the province of Alberta, the second largest in the country. If the records – and I don’t have them, unfortunately – were before us, I think you would see that there hasn’t been a marked decrease in the volume of trades in Alberta’s marketplace with an Alberta securities regulator or even under circumstances where it appeared as though the Securities Commission was under attack and had a tarnished reputation.

So, Mr. Chairman, I’ll just close with that. Everything that we’re doing here would be necessary to be done whether or not we move towards a national securities regulator. If it comes down the road one day, we will be much more prepared by having these amendments in place, having our securities regulator in line with the passport system and the systems across Canada, and we can knit the whole thing together much easier.

Thank you.

**The Chair:** The hon. Member for Edmonton-Rutherford.

**Mr. R. Miller:** Thank you, Mr. Chairman. Just another comment. There has been an awful lot of talk this evening about a national securities regulator or a common regulator. In preparation for debate on this bill the Official Opposition caucus consulted with a securities lawyer. I think I mentioned the other night that I wish I was one. My mother tried to push me that way, and I resisted. Silly me.

**An Hon. Member:** But now you’re an MLA.

**Mr. R. Miller:** But now I’m an MLA, which is almost like being a securities lawyer, tonight at least.

So we certainly consulted with a securities lawyer. We consulted with the Investment Dealers Association and also with a nationally renowned investor advocate, Mr. Chairman. The one comment that I want to make is this. I understand that both the Finance minister and the Member for Grande Prairie-Smoky have commented on this issue a number of times tonight, about the fact that the work that has been done so far will not be wasted no matter what happens eventually, and I appreciate that.

The concern from the investors advocate is that we not allow this to be considered to be the last word on harmonization. I haven’t heard a lot of talk about it, but I’m going to assume that both the minister and the Member for Grande Prairie-Smoky understand that there’s a lot of work yet to be done, that if, in fact, we don’t end up with a common regulator or a national regulator, the job isn’t finished and there is still a lot of work to be done in order to harmonize securities laws across the country, province to province. That was certainly a concern that was expressed by the investor

advocate, and I think it's important that that be noted in the debate tonight.

Thank you.

**Mrs. McClellan:** I'd like to respond very briefly to that. There is a work plan for this, and this is an orderly plan, and you see this happening in each province. All the provinces, with the exception of Ontario, support the passport system. All of the work from the amendments in this bill move that system forward one more step. It would be an expectation that there would be further amendments in the next session of the Legislature to continue to move that work forward.

I wish I had been thinking; I would have had more up-to-date figures on how the work on the move to harmonization has been effective to this point. I will endeavour by third reading to give you an update on the number of filings, et cetera, that we've had under the new system. It appears that it is working quite well, and companies are utilizing that. There is a big advantage to being able to file in one province and not have to do the refiling in each of the others. I will endeavour to have those up-to-date numbers for that at third reading.

**The Chair:** The hon. Member for Edmonton-Calder.

**Mr. Eggen:** Thanks, Mr. Chairman. Well, I guess that in the spirit of co-operation and looking for something to salvage from here, I was just looking through the proposed amendments that have been brought forward here with Bill 25. You know, some of the reforms certainly seem to make sense, and they do pave the way for harmonization, that could result in the beginnings of the framework for a national securities commission.

Some of these, for example, that catch my eye, that I think are most promising, I suppose: this section on interim orders, which is to harmonize powers to cease trades across jurisdictions as well as the procedures for issuing and revoking cease trade orders, certainly seems to be eminently sensible. The section in part 5 which is talking about registration for the executive director and the section, again in part 5, regarding suspension, cancellation, and restrictions: these are just some of the examples of, sort of, the start of how we could in fact take the lead and send a positive message to Ontario, in particular, that we are open to some negotiation on creating a national securities commission. My understanding of why Ontario has been somewhat recalcitrant in being able to accept this concept is just because so many of the other provincial securities trading centres have been so sort of maverick and unstable in their behaviour over the years. You know, I'm not just talking about Alberta. In B.C. we know just how infamous the market was there for quite a number of years, and they have applied a series of reforms there as well.

I guess Ontario has been kind of sitting back because they are the largest, but you know that we are closing in on the Ontario securities market in terms of trading volume. The strength of our energy market would in fact allow us to provide a leadership role. If we sent out an indication that we are willing to play, so to speak, I do believe that we could not just be asking, as the hon. member suggested, for external forces to come in and take over our Alberta market. I'm suggesting quite the contrary, Mr. Chairman. I'm suggesting that we take the lead, strike the iron while it's hot, and in fact we would find ourselves in a leadership position on the national stage. So, far from bringing Ontario people to come in and try to take over, I'm suggesting quite the opposite, that we use our leverage as the second strongest market in the country and with the

greatest rate of growth of any securities trading system in the whole country and take the lead and sort of retool Bill 25 as a gateway to establishing a national securities commission.

I know that people are quietly and not so quietly saying this, especially in Calgary, where a lot of trading is happening, that they would prefer to see it. It would provide the stability that they need in such a market, and it would as well send a positive message out to not just the Canadian market but the world securities market that Alberta is open for business, has put some of its indiscretions behind it, and is ready to go.

12:30

Certainly, I don't think that we've seen a change in the volume of trade as a result of some of these indiscretions in the past, but that's just because we know that so many of these corporations that are trading on our markets are pretty much guaranteed investments. We know that the energy sector is going great guns, and with all of these subsidiary corporations and businesses that are associated with that, we can pretty much know that there is going to be growth there. So it's almost as if the Alberta Securities Commission grew in spite of itself over these past few months. The overriding heat and buoyancy of our markets has carried us through, but that won't always carry us through by any means. People do look at these small markets as more speculative, and that's why we can solidify the reputation of these markets by having a national securities commission.

With that, Mr. Chairman, I offer anyone to give me some suggestion in that regard. Thanks.

**The Chair:** Are you ready for the question on Bill 25, the Securities Amendment Act, 2006?

**Hon. Members:** Question.

[The clauses of Bill 25 as amended agreed to]

[Title and preamble agreed to]

**The Chair:** Shall the bill be reported? Are you agreed?

**Hon. Members:** Agreed.

**The Chair:** Opposed? Carried.

The hon. Deputy Government House Leader.

**Mr. Stevens:** Thank you. I move that we rise and report bills 14 and 25.

[Motion carried]

[The Deputy Speaker in the chair]

**Mr. Johnson:** Mr. Speaker, the Committee of the Whole has had under consideration certain bills. The committee reports the following bills with some amendments: Bill 14 and Bill 25. I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

**The Deputy Speaker:** Does the Assembly concur in this report?

**Hon. Members:** Concur.

**The Deputy Speaker:** Opposed? So ordered.

head: **Government Bills and Orders**  
**Second Reading**  
*(continued)*

**Bill 35**  
**Fuel Tax Act**

[Adjourned debate April 27: Mrs. McClellan]

**The Deputy Speaker:** The hon. Member for Edmonton-Rutherford.

**Mr. R. Miller:** Thank you very much, Mr. Speaker. My pleasure to rise this evening and speak to Bill 35, the Fuel Tax Act, 2006, in second reading. I'd like to begin by thanking the Finance minister for once again providing staff in our offices with a very thorough briefing on this bill and for providing the three-column documents. As we know, not all ministers provide all critics with the three-column document. Some won't even let us see it, others will let us see it but not take a copy, and this minister is very kind in allowing us to retain a copy of that three-column document. It does certainly make for better debate and more informed debate and, as I've said previously, I would like to believe ultimately better legislation for Albertans. Really, isn't that what it's all about?

Several comments about Bill 35, which I understand is basically a complete rewrite of the Fuel Tax Act as it currently sits. According to the government's briefing it is necessary to streamline and simplify the manner in which the government collects fuel tax in its various forms and from the various stakeholders involved. I can't remember the exact number, but I believe it was some 40-odd different contracts that are currently in place with various groups and agencies to collect fuel tax. The way it was explained to us in the briefing, Mr. Speaker, every time there's a change made, it involves changing all 40 contracts as opposed to just one. The intention, as it was explained to us, of the streamlining that's taking place in this act would be that, in fact, if there's a change, then only the legislation would have to be changed as opposed to 40-odd contracts.

So I suppose that from an efficiency point of view that would make good sense although I must say, Mr. Speaker, that when I see something like that, it causes me to ponder and wonder if perhaps the government hasn't had some difficulty in collecting the fuel tax under the current regime. Again, maybe that's why it's being changed, and maybe that's a good thing. But I would be curious to know if in fact that was the case and, if so, what the effect of that might have been on the Finance department in terms of lost revenue and ultimately, of course, money that may have been lost to the taxpayers. So that would be one of the questions that I would look for some comment on.

Now, the minister will know that last week or two weeks ago we had a group in from the Propane Gas Association. One of the things that they're certainly lobbying the opposition parties for – and I know that they're lobbying the government for it as well – is either a reduction or a removal of the fuel tax on propane-powered vehicles, Mr. Speaker. Right now I think they pay 6.5 cents tax per litre on auto propane, which is less, admittedly, than the fuel tax on gasoline, which is 9 cents per litre. But I think that given the comments that the government has made over the last several years about promoting alternative fuels – and certainly they promote ethanol-powered vehicles and natural gas powered vehicles by not having any fuel tax on those fuels that are used for motor vehicles. [interjection] My colleague from Edmonton-Manning is suggesting that we should treat Alberta drivers using propane to power their vehicles the same way as B.C. does, and I think that that's the submission that was made by the association when they presented to the government and to opposition parties.

As I said, in terms of promoting alternate fuel usage, there would be a good argument for doing that. Propane is recognized as being one of the cleanest burning fuels. There was a time in the mid-80s, Mr. Speaker, when there were a number of rebate programs available for propane conversion. I can't recall the exact numbers at this moment, but I think that something like 300,000 vehicles in Alberta were running on propane. Today we're down to somewhere in the area of 60,000. What that means, of course, is that propane has virtually fallen off the radar in terms of usage in automobiles. The reason, quite frankly, is that it just costs too much money to convert, and with the fuel tax on there we don't give a break that might actually make a difference in terms of encouraging people to explore that as an alternate fuel. I would submit that it might be time to consider giving a little bit of a tax break to users of propane as an auto fuel.

Now, I mentioned earlier this evening to the minister the idea of perhaps giving an even greater break to farmers on their diesel credits, Mr. Speaker, and the minister cautioned me that I should be careful when I suggest that because farmers aren't the only ones who use diesel. Certainly, she's right. The trucking industry and others, I'm sure, probably the oil and gas sector, and there would be many others who use diesel. But let's face it: there's no question that the agricultural community is struggling in this province and has been for a number of years now. I had a farmer friend tell me that he sold some wheat a couple of weeks ago at the same price that it sold for in 1958.

12:40

**Mr. Backs:** How long has it been since farmers got a break on their fuel?

**Mr. R. Miller:** My colleague from Edmonton-Manning is asking: when was the last time farmers got a break on their fuel? Well, I do know that the current discount of 6 cents per litre on diesel fuel went into effect on February 25, 1994. What that means is we haven't adjusted the rate for farmers in 12 years. There's no question, Mr. Speaker, that in 12 years there has been a substantial change in input costs for farmers.

I'm just looking at some information that I pulled off the government's own website. This is the Agriculture, Food and Rural Development website. I think, Mr. Speaker, it's very important that I acknowledge that because in great big letters on the website it says: "Note to Users: The contents of this document may not be used or reproduced without properly accrediting the Statistics and Data Development Unit, Economics and Competitiveness Division, AAFRD." Since I'm using it in my comments tonight, I believe I have now credited that particular division.

Mr. Speaker, when I look at the input cost for diesel fuel on the farm, this current graph goes to January of '05. At that time the farm price for diesel fuel was about 50 cents per litre, and if we look to the end of March of '06, it's currently about 65 cents per litre. So just in that period of a little over a year the price to the farmer has gone up 15 cents per litre, and there is no recognition in this act of that fact by giving farmers any more of a break.

Now, I have another graph here that also came from the agriculture website. It shows an even more dramatic increase in input costs for farmers, Mr. Speaker. While I'm looking for it, I'll just mention that a similar situation exists for farmers when we talk about propane on the farm or if we talk about natural gas. Now, there's one that is quite startling. Just in the last year alone – and unfortunately *Hansard* wouldn't likely reproduce the graph – it shows a relatively flat line from January '05 to July '05, and then it skyrockets to more than double the price. Certainly, we know that this is a big issue for farmers, likewise with electricity and purple gasoline.

Purple gasoline: this is an interesting one. I mentioned earlier that

the minister accommodated us by providing staff for a good briefing. One of the things I learned from that briefing is that it's not really purple gasoline anymore, Mr. Speaker. I did not know that. I think we all grew up referring to purple gasoline, and indeed the agriculture website today, the graph I pulled down, talks about purple gasoline, but apparently it is red. So there is something that if you didn't know before, you know now. It's Liberal red gas and, apparently, properly referred to as marked gas.

**Mr. Backs:** Like the Calgary Flames colour, though that's burnt out.

**Mr. R. Miller:** My hon. colleague from Edmonton-Manning just mentioned the Calgary Flames, and unfortunately, Mr. Speaker, there will not be a battle of Alberta this year. That really is unfortunate. It really is. I'm not sure if that's relevant to the Fuel Tax Act, and if I don't move on, I'm likely to be called on a point of order, so I think I'll move on.

Mr. Speaker, I was looking for some information going back a little bit further, and I found it here. Diesel fuel on the farm, if you go back to 2002: 36 cents per litre. So that would be less than half the price that they're paying on the farm today. Again, no extra recognition for the agricultural community in this bill of the fact that their input costs have more than doubled, yet the discount that they get on diesel is exactly the same. Purple gas: 51.9 cents per litre in 2002. Of course, we know that it's an awful lot more than that now. Propane: 30.71 cents per litre in 2002. And on it goes. Boy, natural gas: \$4.48. I think that the last number on the graph showed it a whole lot more than that.

Certainly, Mr. Speaker, I think that when we look at the agricultural community in particular, I do believe that there is some measure that could have been taken. It wouldn't really cost an awful lot of money to extend a little more of a benefit to the agricultural community. According to the Alberta Finance website, currently the various programs providing farm fuel benefits are only costing \$120 million in total to the government. [interjections] I hear some hon. members over there – and I'm going to assume that they're urban members and not rural members – commenting that it's a lot of bread, and it is a lot of bread.

Here's another example. I think it was the hon. Member for Calgary-Nose Hill who suggested that it's a lot of bread. Check the price of a loaf of bread today, and go back and check the price of a loaf of bread in 1970. You know what? It's not that much different. It really isn't. So you have to feel for the farmers because they're certainly not benefiting from the increased costs. Certainly, their input costs in terms of fuel – the fuel tax is not benefiting them nearly as much as it perhaps should.

Now, I have several more comments, but really it would be more along the lines of breaking it down into sections, page by page, and I think that I will save those comments, Mr. Speaker, for when we get to committee stage. I do plan on introducing at least a couple of amendments, perhaps more.

I guess the other thing that I could talk about briefly – it has been discussed in the past, and I see the hon. Member for Edmonton-Gold Bar asking to speak, so perhaps he's going to mention it again. In the past at least the Official Opposition critic has called for some sort of a gas tax rebate to consumers when gasoline gets above a certain price, Mr. Speaker, and I think that the number that the Member for Edmonton-Gold Bar has called for is 4 cents per litre when oil gets above \$35 a barrel, I believe it is. We know that right now the gasoline tax that's collected is 9 cents per litre, and the Alberta government to its credit has finally made some accommodation for municipalities. They return 5 cents per litre to the municipalities. In the past when the hon. Member for Edmonton-Gold Bar

has suggested this tax cut when oil prices get high, the minister has said: well, the municipalities aren't going to be very happy about that suggestion. I think that perhaps the minister wasn't fully understanding that the suggestion wasn't that the municipalities suffer but, rather, that the government, because they collect higher taxes from the oil fields – they collect royalties from the oil field, although certainly there are those who would argue that the royalty structure needs to be reviewed and that perhaps we should be collecting more. There are many who argue that. The intimation would be that when things are going that well, the government could afford to forgo 4 cents per litre to the consumer. It would be the government that would be forgoing that, not the municipalities. There was never any intention on the part of the Official Opposition to suggest that the municipalities should be doing without their 5 cents per litre. That was never suggested, and if the minister understood it that way, then hopefully that will provide some clarification for her.

12:50

As I said, Mr. Speaker, the remainder of my comments I think I will save for the committee stage when I bring my amendments.

Oh, one other thing. I almost forgot. It was in the news today, and I thought this was quite interesting. As of today all provinces east of Ontario are now regulating gasoline retail prices. I'm not suggesting necessarily that Alberta should be regulating gasoline prices at the pump, but the fact that it's happening everywhere east of Ontario certainly says something. If there are a number of governments in eastern Canada that feel that the consumers need some added protection from their government from potential gouging by oil companies and retailers, then that says something. I think that we should at least be paying attention to the fact that half of the provinces in this country have taken that step. As I say, I'm not suggesting that we have to go there yet, but I would hope that we're monitoring, as my colleague from Edmonton-McClung suggests, because we all know that this government claims to be very good at monitoring. They do a lot of monitoring, and this might be an area that they would like to monitor as well. I would think that given the current world situation with oil and the uncertainty involved, this is one area that might merit some monitoring.

So with those comments, Mr. Speaker, I will take my seat and cede the floor to somebody else. I look forward to having the opportunity to speak to this bill in committee and at that time also having the opportunity to bring forward some amendments.

Thank you.

**The Deputy Speaker:** The hon. Member for Edmonton-McClung.

**Mr. Elsalhy:** Thank you, Mr. Speaker, for this opportunity to rise and participate in this stage of debate on Bill 35 dealing with the fuel tax. I promise to be brief. I just wanted to follow up on what my hon. colleague from Edmonton-Rutherford mentioned in his talk on fuel tax and the different fuels that we can use in this province. We all know that looking for alternate fuels is the way of the future. He mentioned propane as a cleaner fossil fuel, and then we all know about hydrogen cells and solar and all that stuff for cleaner sources of energy.

Now, he mentioned something that is very current in terms of provinces east of Ontario legislating retail gas prices, and I noticed something else that is also very current as of today, actually as of yesterday since now it's Thursday, officially. So that was yesterday, Wednesday, Mr. Speaker. There was a poll conducted in the U.S. which indicated that most Americans blame the Republicans for soaring gas prices. Now, is this because of their foreign policy,

perhaps, or decisions at home? I don't know. President Bush's popularity is measured at around 33 per cent nowadays, but when people were asked just in terms of gas prices, people gave him only a 17 per cent approval rating.

Now, it would be very interesting, Mr. Speaker, if people in Alberta were surveyed to see what their reaction is to the current gas prices at the pump and whether this Progressive Conservative government has done enough to alleviate that concern. People say that this is a producing province and that they find it puzzling and troubling that they're paying so much at the pump. They can't really understand it, and they're frustrated, and they're confused.

The poll that was conducted in the U.S. during the period of April 28 to 30 also asked people which party they thought would see to it that gas prices become lower. Forty-seven per cent of Americans picked the Democratic Party compared to only 20 per cent for the Republicans. Again, how would Albertans react to such a question here if they were asked, especially in light of the Alberta Liberals' repeated calls to lower the gasoline tax?

I know that my hon. colleague from Edmonton-Gold Bar is going to definitely speak to this as it was his suggestion, that he repeats every year and, apparently, gets the same answer from the government every year. He definitely recommended that we cut the gasoline tax from 9 cents per litre to 5 cents per litre, and he indicated in his calculation that this would only be done whenever gas prices exceed \$36 U.S. per barrel. About two or three weeks ago we measured this to be at least a \$260 million savings for Alberta motorists. The government's own fiscal plan for 2006-2009 shows that for every \$1 increase in the price of a barrel of oil, the Alberta government itself reaps \$123 million in extra revenue.

As my colleague from Edmonton-Gold Bar and as the members of the opposition keep saying, it is time for the government to start sharing some of that money and putting it back into the pockets of Alberta drivers. The average Albertan uses about 2,400 litres of gas every year. That means that if prices at the pump reach, you know, \$1.30 or \$1.40, as is forecasted, a typical driver under our plan would save in excess of \$120 a year. Now, to some that might not be a significant sum of money, but to others it is a lot of money.

The angle about the municipalities not getting their tax stream to help them look after roads and other infrastructure requirements – we think that by lowering it, it's the government that is sharing some of that resource. Municipalities will not be adversely affected because they still get that 5 cents per litre that is going their way.

Now, further to this, with regard to regulating gas prices at the pump in Canada, I can also mention something that happened Wednesday, Mr. Speaker, in the U.S. as well. When President Bush was made aware of his approval rating, he summoned the House, both Democrats and Republicans, and he asked them to pass a bill that would see criminal penalties and huge fines of up to \$150 million for energy companies caught price gouging. What are we doing in this province to monitor the oil companies and make sure that they're not price gouging in this province? You know, some hon. member is saying that this is federal. Yes, but this provincial government keeps talking about autonomy and decision-making and that we should protect the consumers in this province, so maybe we should look at this as a provincial solution.

They'll also charge penalties and have prison terms for retailers that are price gouging, so I think it's time for us to potentially consider something of this nature in this province. It is noteworthy to mention that it received a lot of support from both sides in that House, in Congress, where it passed with 389 for and 34 against. So that was definitely a solid vote to consider price gouging as a criminal offence and to have hefty fines and prison terms for people caught doing it. I definitely advocate such a measure because

market forces dictate how prices go to some extent, but there could be an angle of greed as well or some other reason why we're paying so much at the pumps.

So with that, Mr. Speaker, I will take my seat, and I thank you for this opportunity.

**The Deputy Speaker:** Hon. members, Standing Order 29(2)(a) is available now and after every speaker from this point on. The hon. Member for Edmonton-Highlands-Norwood.

**Mr. Mason:** Thanks very much, Mr. Speaker. I have a question for the hon. Member for Edmonton-McClung. How does the hon. member explain the question of supply and demand with respect to gasoline prices? It seems to me that the oil companies charge what the market will bear for the gasoline. If there's a shortage, the price goes up. If demand exceeds supply, the price rises, and vice versa. So if we lower the tax, it doesn't in any way change the supply and demand equation. The oil companies are able to command the same price for the gasoline as before you lowered the price. The question is who gets the money, whether the government gets less and the oil companies get more or vice versa.

1:00

So, you know, this is a question that I don't understand. The Liberal Party has put forward the idea of reducing the taxes and seems to believe that this will bring down the price of gas. If the price of gas is actually determined by supply and demand, then that will not happen. It will simply reduce the government's take and increase the take of the oil companies. I wonder if the hon. member can explain that economic theory to me.

**The Deputy Speaker:** The hon. Member for Edmonton-McClung.

**Mr. Elsalhy:** Thank you, Mr. Speaker. I actually thought that myself. It is a fair question, I must say, and the hon. member mentioned . . . [interjections]

**The Deputy Speaker:** Hon. members, the hon. Member for Edmonton-McClung has the floor.

**Mr. Elsalhy:** The hon. member mentioned the theory that companies charge what they can get. I think that to some extent that might be true, but it's the angle of monitoring prices and determining what is fair and what is not. If they're caught charging the same amount after we've reduced the tax because they can get away with it, then that's where we can say, "No, this is not accurate. This is not correct. It's not good for the consumers." We would hold them to account and say: "You were supposed to reduce your prices at the pump by 4 cents a litre. You have not done it. You've in fact put the money in your own pockets and denied it from going on to the consumers." There would be repercussions and consequences. Maybe if they're caught once and they're penalized, they might not do it again.

Thank you.

**The Deputy Speaker:** The hon. Member for Edmonton-Highlands-Norwood.

**Mr. Mason:** Thank you very much, Mr. Speaker. Just a follow-up question. It sounds to me like the Liberal Party, then, is proposing that they would control gasoline prices. If that's the case, why don't they just order the oil companies to lower the prices by 4 cents?

**Mr. Elsalhy:** Well, it seems like the NDP are advocating some scenario like what happened in Bolivia, for example, where the government took over the oil companies and the refineries and . . .

**Mr. Mason:** How did you get that?

**An Hon. Member:** Sounds like it to me.

**Mr. Elsalhy:** That's what it sounds like, Mr. Speaker.

However, under a Liberal government prices for all commodities will be periodically reviewed to make sure that those prices are fair to the consumers. We want companies to continue to make profit and to make decent profits to be able to pay corporate taxes and so on; however, it's the consumer protection angle. So, you know, whether in fact we would dictate that they lower their prices at the source or whether we would monitor it at the pump and then take action accordingly would be something that we would be definitely willing to consider.

Thank you.

**The Deputy Speaker:** On the bill, the hon. Member for Edmonton-Gold Bar.

**Mr. MacDonald:** Thank you very much, Mr. Speaker. It's a pleasure to participate in the debate this evening on Bill 35, the Fuel Tax Act. Now, Bill 35 rewrites the fuel tax. The government claims that we need a smoother administration. Certainly, I wonder whenever I go through the public accounts documents and I see the line items for various agencies across the province who are collecting the tax. I see an amount given back by the government for any number of reasons. One has to wonder just exactly how this fuel tax is being collected and the administration of various fuel tax exemptions.

Now, certainly this bill, I think, should be supported, but when we look at the Alberta Fuel Tax Act and the fact that there are direct taxes on consumers for the purchase of not only gas at the pumps but also unmarked fuel – and this unmarked fuel includes gasoline, diesel, and propane. I'm wondering if the New Democratic party has ever burned unmarked fuel.

**Rev. Abbott:** I highly doubt it.

**Mr. MacDonald:** The hon. Member for Drayton Valley-Calmar highly doubts it, and I'm with him. You know, I have this vision of the New Democrats in their van, and they're running around with a four- or five-foot green garden hose, a three-quarter inch diameter one. That would be the extent of their concern with reducing the price of fuel for consumers.

Certainly, I think that whenever we look at the price that many consumers are paying, whether they're small business owners or whether they're individuals going back and forth to work or families with their busy schedules taking their children to soccer, to other activities, whether it be a dance class or music lessons, whether we like it or not, the majority of us in this province drive and drive our families from place to place. I don't think we should feel guilty about that. The distance between our cities is great. If you go from High Level to Medicine Hat, it's going to take you a fair amount of driving time to get there, a very long day. We need to have affordable fuel prices.

That's why I think it would be very good if at this time our provincial government realized this. For the benefit of all members, the current tax rate on a litre of gasoline, for instance, Mr. Speaker, is 9 cents. One of the ways we could help consumers is by reducing

the provincial government's take on the tax that we're charging currently on gasoline. Now it's 9 cents. We could reduce that by 4 cents.

I think the government has been wise in providing some dedicated revenue from the gasoline tax for municipalities to fix their bridges, their roads, and their streets. I don't think it would be wise to change the rules for the leaders of our various municipal governments. They have budgeted, they have planned on getting that money. Let's make sure they do get it.

We could reduce the price of gasoline by 4 cents a litre at the pump. Now, the hon. Member for Edmonton-Norwood is worried that, well, the greedy oil companies will just move in and take that 4 cents and add that to their already substantial profits. I don't think that will happen because I, for one, have confidence in the free-market system. For instance, if one gas company is to move in and decide they're going to take that 4 cents, the second retailer will say: I can sell more gasoline. That's how the free market works. So I'm not at all concerned that if we were to go ahead with this tax cut, the greedy corporations would just start lining their pockets. I have a lot more faith in the market than that.

[Mrs. Jablonski in the chair]

**1:10**

Now, when we look at the royalties that we are getting at the wellhead from crude oil production and the substantial increase in royalties, we can afford to reduce gasoline taxes. Perhaps the hon. Member for Edmonton-Norwood is so isolated from the real world because he's like the rest of us in this Assembly, Madam Speaker, with our gas cards; we forget.

**Mr. Mason:** Point of order.

**The Acting Speaker:** I recognize your point of order.

**Point of Order**

**Incorrect Reference to a Constituency**

**Mr. Mason:** Madam Speaker, I would just ask the hon. Member for Edmonton-Gold Bar to identify my constituency correctly. It's Edmonton-Highlands-Norwood.

**The Acting Speaker:** Thank you.

**Mr. MacDonald:** I apologize to the hon. Member for Edmonton-Highlands-Norwood for that oversight.

#### **Debate Continued**

**Mr. MacDonald:** Now, we in this Assembly with our gas cards, sometimes we can forget, because we don't pay for all of our fill-ups, just what exactly consumers face when they fill up their vehicles. It's 60, 70 bucks. In some cases it's higher than that. I would urge all members of this Assembly to consider a gasoline tax cut at this time. It is a good idea.

When we look at the federal budget that was just presented to Canadians yesterday – when the current Prime Minister was in opposition, well, there were going to be some significant cuts not only to the GST but to gasoline because I think that at that time the hon. Leader of the Opposition, who is now the Prime Minister, realized just how gas prices affect Canadians. It's a big country, as the hon. Member for Drayton Valley-Calmar reminded us. Distances are vast. Our transportation costs are high. I think that in light of that we can make a real difference here.

If gasoline was roughly selling for, let's say, a dollar a litre, that four cents a litre would be 4 per cent saving. Anyone who was operating their business would notice that saving at the end of the month if they had a small modest fleet of vehicles in their business. It would certainly work for them.

If we can't afford a tax cut in our gasoline prices at this time, Madam Speaker, I don't know when we'll ever be able to afford it. This has been an idea that the former Member for Edmonton-Rutherford presented not only to our caucus but to the entire province. Mr. Wickman recognized the cost of gasoline and how it could put a dent in one's wallet, so to speak. He was the first person to come up with this good, sound policy. While we enjoy high royalties in this province, let's share, again, those resources with the citizens. Now, how much would this cost the treasury? Two hundred million dollars a year, maybe a little bit more than that. I think we can afford it.

One other benefit, Madam Speaker, to this reduction in gasoline prices would be that it would help reduce energy inflation in this province. I would again remind all hon. members that if you went to a store, if you got it, a truck brought it. Trucks. Well, they may burn gasoline. They may burn diesel. They may even burn propane. Who's to say? I think that if their fuel costs were reduced, we certainly wouldn't stop it, but we would reduce or alleviate energy inflation, and we could help out the price currently at the pump. I would urge the hon. Minister of Finance to consider this. Certainly, I was pleased to learn – at least, I was left with the impression, Madam Speaker – that the hon. minister was considering this as a tax cut.

When we look at Bill 35, Fuel Tax Act, and we go through it in detail, we should remember the other programs. But before I go there, it's not that long ago, Madam Speaker, that we reduced the taxes on railway and aviation fuel. Now, we have at this time a program – and this the hon. Member for Edmonton-Highlands-Norwood would certainly be aware of – that I can't understand why we need at this point. There's a program in place to give resource companies a break on their fuel costs for activities that are conducted off-road. My question to the government would be: if we can afford this at this time, let's also consider consumers. Many resource companies get a modest break, a wee break on their fuel costs for their activities off-road that are powered, I guess, by an internal combustion engine. If we can provide those tax cuts and from what we've done in the past, I would urge this government again to consider a tax cut on gasoline. The price at a dollar a litre is high enough to encourage conservation.

[The Deputy Speaker in the chair]

Mr. Speaker, there are those that say: oh, well, let's have gasoline at \$1.20, even \$1.25, even \$1.30, even \$1.50 because the higher the price, the more we will encourage conservation. Well, I maintain that we are encouraging conservation already. If gasoline is at 80 cents or 85 cents or 90 cents a litre at the pump, that price is high enough to change consumer habits. One only has to stop at the first set of lights one would encounter after leaving this Legislative Assembly and count the cars. There are a lot of four-cylinder cars there, new ones.

Thank you.

**The Deputy Speaker:** The hon. Member for Edmonton-Highlands-Norwood under Standing Order 29(2)(a)?

**Mr. Mason:** Yes, please, Mr. Speaker. I'd like to ask the hon. Member for Edmonton-Gold Bar if he believes that there are enough

corporations that operate internationally to extract, refine, and distribute oil and gas products, gasoline, to constitute a free market and whether or not he's aware of examples in which the prices were set by means other than the free market. I just wonder if the hon. member can justify his remark that the free market operates with respect to international oil and gas companies and how many there are and how many it would take to have an effective free market.

1:20

**The Deputy Speaker:** The hon. Member for Edmonton-Gold Bar.

**Mr. MacDonald:** Thank you, Mr. Speaker. I appreciate that question from the hon. member. Whenever you look at the international oil industry, one has to realize that Alberta is one of the very few places where private-held corporations can invest. Now, when you look at the countries in the Middle East, they're Crown-owned oil companies. We look at Venezuela. Bolivia was mentioned. Bolivia has a lot of gas interests. We look at the Soviet Union.

**An Hon. Member:** No such country, my friend.

**Mr. MacDonald:** Russia. I stand corrected.

So you have all these different countries, so many countries in the Middle East, where the state controls oil and gas production and marketing. I would much prefer the system that we have in Alberta than the system that, for instance, existed in Iraq, where you get a vinegar jug and you go to the edge of a pipeline and you hope you get yourself a gallon of gasoline. If we have a market where we have competitive retail – and I think we have a competitive market – it will work. It will work. I don't want to see state-owned enterprises involved in oil and gas exploration and development and the refining industry. I think what we have here, whenever we compare it to other places where it's state owned, is working much, much better.

Thank you.

**The Deputy Speaker:** The hon. Member for Edmonton-Highlands-Norwood.

**Mr. Mason:** Thank you very much, Mr. Speaker. Just a comment really. There were once what they called the Seven Sisters, which were seven major international oil companies based mostly in the United States but also in Holland and in Britain. That's now down to four. No serious economist or analyst of the oil industry believes that there's a free market with respect to oil and gas. You know, I think that it's pretty clear that if taxes were reduced on gasoline, the same price would remain at the pump. I would just suggest that the argument that cutting taxes on gasoline would somehow bring down the price because of some free-market mechanism is a fantasy and very ill-advised public policy. If we want the oil companies to make a higher profit than they already are, then why don't we just say so? But that's not the position of the NDP.

**The Deputy Speaker:** The hon. Member for Edmonton-Gold Bar.

**Mr. MacDonald:** Thank you very much, Mr. Speaker. I can't help it if the NDP are jealous of our policy, which is to reduce gasoline taxes. Certainly, whenever you talk to people in the city, the overwhelming majority want to see gas taxes cut so that they have more money in their pocket at the end of the week. I can't, again, help but think that the hon. member is just jealous.

Thank you.

**The Deputy Speaker:** The hon. Member for Edmonton-Calder.

**Mr. Eggen:** Thanks, Mr. Speaker. I rise with interest to make some comments on Bill 35, the Fuel Tax Act. This bill is wide ranging in its scope, and a lot of its individual components are overdue, certainly. I would like to thank the hon. Minister of Finance for bringing this forward. I guess much of this reform that the amendment does bring forward has to do with making it possible to streamline the 40 some-odd separate regulations in places where the fuel tax is applied here in the province of Alberta, and certainly that would be laudable if we are able to adjust and to account for each of those 40-some places in a more reasonable sort of way.

I was curious to hear from the hon. Member for Edmonton-Rutherford that he was given a three-column document in regard to a briefing on Bill 35 because I would certainly appreciate seeing that as well. Certainly, while we have our own vast research capacity, we have analyzed and looked at this bill at least to some degree. I guess the scope of this bill is quite wide. It's really not just an amendment but a complete rewrite of the whole thing.

One thing that I would like to comment on, though, first of all is that I would like to ask the minister if we could have an accounting of perhaps revenue collection from the old act because I would suspect that, you know, because of the cumbersome nature of the old Bill 35, we were in fact not having a full accounting of taxes that were meant to be collected. I would be curious to perhaps see an analysis of where we were losing revenue and what sort of revenue we might have lost from the previous act so that we can make sure we tighten up Bill 35 in the best possible way and ensure that we're collecting the revenues that are due to the provincial government.

It's important to have these different tax structures in place serving the economy in the best possible way, Mr. Speaker. The price of fuel for each individual part of our economy is becoming an increasing expense of doing business, be it from agriculture to industry to looking for more oil and gas throughout the province. So it's important that we regulate how that expense is going to impact that industry and ensure the continued viability of these various industries.

The first one, the most important one, of course, is the subsidies to farm fuels to ensure that the proportion of the fuels that are being used for agriculture is not exceeding the viability of the overall budget for any given farm operation. I know that the price of fuel has put tremendous strain on farm operations in these past couple of years, and while we do have a subsidy program in place, I think that we need to perhaps revisit some of these prices. Certainly, for example, the price of diesel fuel more than doubling in the last couple of years has really put serious strain on the ability of farmers to operate at all, not even to turn a profit by any means. Many farms run on a continuous loss basis, and I think that it's incumbent upon us to realize that our agriculture sector is an essential industry in the most basic way, that we have to have a diverse and vibrant agricultural sector to ensure the long-term survival of the province.

If it does cost us from other sectors to properly subsidize the fuel consumption of farm operations, then so be it. I think that a proper investigation of the whole economy and budget of any given farm is absolutely essential for us because we're losing farm operations every year. Especially, smaller family farm operations are in serious jeopardy in this province and are giving way to larger corporate operations which are far less secure in terms of our long-term food viability. I think that the Fuel Tax Act, Bill 35, really comes back to that: to revisit and ensure that we can adjust the rates in a quick and equitable way to meet the needs of farmers across the province.

**1:30**

Other forms of fuel tax are a very important part of the long-term budget of the province but also a way by which we can send a

message, I suppose, to consumers that the cost of running their vehicles and whatnot is not just the considerable personal cost that they put into the gas tank every week or maintenance of their car but the price of the infrastructure of roads and highways and servicing and safety and policing and all of those very important services that we provide here through the province of Alberta. So the fuel tax serves to help pay for those things. It is an important source of income, and it's important that we maintain a reasonable level of taxation on fuel.

I think that every time the price of fuel goes up in a significant way, certainly we have to react as a provincial government, but we don't have to react in a knee-jerk sort of fashion. You know, we've created a society where a single internal combustion vehicle is important, but it's also something that deserves taxation. If we are not realizing a reasonable tax from single vehicle operations, then in fact we're probably doing a disservice to the sort of long-term planning and functioning of the province. We want to encourage alternative transportation systems in this province, Mr. Speaker, and by collecting a fuel tax we have a means by which we can guide our transportation sector into other ways of moving people around. In fact, our provincial portion of the fuel tax on individuals is certainly significant, but it's not by any means the largest part of the overall gasoline price at the pump.

I think that people are often confused, and in fact the pie chart that they put on the gas pump is designed to deliberately deceive consumers because it gives this false impression that taxes take up by far the largest piece of the oil pie. [interjection] Yeah, you were fooled by it as well. But, in fact, if you look at it, they have the price of oil in there as that very largest chunk, and that's the same company that pumped it out of the ground and then refined it and made it into gasoline as well. So they take their pound of flesh from that portion of it as well.

To suggest that the poor oil companies are only getting that tiny, tiny little sliver that you see on that very deceptive pie chart on the gasoline pump is entirely wrong. It's one hundred per cent deceptive, and to play into that sort of thing by suggesting we take some small provincial gas tax cut to alleviate the price at the pump for consumers here in Alberta when the price goes up is absolutely ridiculous. I mean, there are many, many other ways by which we could alleviate that cost to consumers here in the province of Alberta, but to suggest looking at those few pennies that the Alberta government collects is absolutely ridiculous.

You look at the proportion of the overall price of a litre of gasoline and see how the curve is going quite steep, but the price of the tax stays the same, so it becomes irrelevant to suggest that that would have any serious effect on the overall budget of someone's monthly expense of driving a car. It just slips into obscurity or into irrelevance as the price of gasoline goes up and up and up. So that's another criticism of the idea of changing the provincial fuel tax besides the fact, of course, that the gasoline companies will simply absorb and slide into that space and charge many pennies more for their gasoline. Just wait until the 1 per cent GST reduction comes in and watch how retailers will simply jack their price up by at least 1 per cent to fill in that gap. That's exactly what will happen.

So, anyway, back to the other portions of this Bill 35. My reading of it is that there are a couple of sections here where I would perhaps suggest an amendment, but otherwise just the fact that the ministry has gone through and identified all of these places is cause for optimism because at least we can now see where those revenues should be coming from, and hopefully we can collect them in a more scrupulous sort of way.

With that, Mr. Speaker, I will pause to allow someone else to make comment.

**The Deputy Speaker:** The hon. Member for Edmonton-Gold Bar under Standing Order 29(2)(a).

**Mr. MacDonald:** Yes. Thank you very much, Mr. Speaker. I appreciate that. I have a number of questions for the hon. member. The first one is: what does the member consider a reasonable tax on gasoline? Name the number.

**Mr. Eggen:** Well, I believe that the tax structure that we have provincially is working quite well; thank you very much. It's not an onerous portion of the overall price per litre, and in fact it serves a number of very important purposes, Mr. Speaker. First of all, it allows us to pay for at least some small portion of the very large, expensive infrastructure that it takes to have our single vehicle internal combustion sort of transportation system that we use here in the province. Really, it's heavily subsidized anyway in regard to that because of the overall price when we think of the tremendous expenses that we put into roads, the money we put into roads, not to mention the cost to the environment. As I look across our major cities, Edmonton and Calgary, there is a pall of air pollution that is increasing every year, and I would think that that is part of the cost as well of this reliance on gasoline.

I think that we need to have that structure of taxation in place to be able to develop other alternative transportation systems. I think that we're in a situation now where we have to start to make investments in other forms of mass transport, with buses in the cities, increased LRT systems, and whatnot, so we need a means by which we can provide revenue to make that transition from a single vehicle transportation system in our large urban centres. So the price that we're charging on the provincial side is perfectly reasonable.

**The Deputy Speaker:** Hon. Member for Cardston-Taber-Warner, were you rising under 29(2)(a)?

**Mr. Hinman:** Yes.

**The Deputy Speaker:** Please proceed.

**Mr. Hinman:** I just wondered, because he's the Environment critic, if the hon. Member for Edmonton-Calder has seen any studies or reports that would show what level of taxation, if it came in, we would have with biodiesel and ethanol and other products in the province that would help us transform to cleaner fuels. You know, he's talked about these other modes of transportation. Perhaps he's had some reports and could inform us at what point we could switch over and use cleaner fuels.

**The Deputy Speaker:** The hon. Member for Edmonton-Calder.

**Mr. Eggen:** Yes. Thank you. That's an excellent comment. We can provide taxes on gasoline, but we can also provide breaks and subsidies on other fuels. There's always a formula, the tipping point, where it becomes more economical for individuals to use different sorts of fuel in their vehicles. The transition from single vehicle transportation, of course, is going to be very gradual, and we have to recognize that we're going to have these vehicles for a long time. To increase the percentage of ethanol, say, into the fuels that go into those single vehicle automobiles would be certainly less invasive on the environment.

**1:40**

That's where we can start to talk about tax differentials – right? – when it becomes financially acceptable for someone to make that

transition or to even go to the other pump where perhaps it's an ethanol blend or, as we saw before, when it was economical to use propane and make the conversion. This is where the government here can provide the incentives, but to suggest a regressive sort of backing away of the very reasonable fuel tax that we do charge here on gasoline is regressive and doesn't look to the future at all. In fact, what it does do is it just sort of leaves us in a holding pattern and not moving ahead on other forms of fuel.

So the hon. Member for Cardston-Taber-Warner has a very good point. There is always a way, a formula by which you can reach that tipping point and make it financial. Once it becomes affordable, then biogas and ethanol and other forms of fuel or even hydrogen in some circumstances can become economical. It is all a question of supply and demand.

**The Deputy Speaker:** Hon. Member for Edmonton-Highlands-Norwood, you have four seconds.

**Mr. Mason:** Yes, I do.

**The Deputy Speaker:** The hon. Member for Edmonton-Decore.

**Mr. Bonko:** Thank you, Mr. Speaker. We're all talking about Bill 35, the Fuel Tax Act. I think we're all in agreement in some way, shape, or form that there needs to be some sort of basic provisions for the consumer here. It should in fact be some sort of fuel tax act. As to what, that's yet to be determined.

Speaking for my family, there are four of us in the household that drive. We go to the pumps, and I'll tell you – you know what? – that you end up having a conversation when you're pumping the gas, and time after time people feel that they're being screwed at the pumps. They feel that the average Albertan is at the mercy of those that are running the, I guess, whole monopoly, whether it be Shell, whether it be Texaco, whether it be Mohawk, whether it be Petro-Canada. The consumer is the one that pays. They say time and time again that they can't understand why we here in Alberta are paying such high prices when it's our gasoline that we're buying, in fact.

**Mr. Magnus:** Sure they understand.

**Mr. Bonko:** I don't know if they understand. No, I don't know if they understand. I don't understand. It doesn't seem right. [interjections] Well, that's it. Perfect.

You know what? They're consumers, and they pay a big price for their insurance, yet they're paying a price for maintaining their vehicles. It's a costly endeavour just to be able to drive. They say: "Okay. Prices are going up again. I'm going to take the bus." But you know what? Buses aren't cheap anymore because again it's a ripple effect. It seems like every time gas goes up, everything else goes up. They talk about produce going up. They talk about fruit and vegetables going up. Everything seems to go up because of gas.

Now, I'm having a hard time justifying everything else going up, but that's what they're saying. Everything seems to be going up. Perhaps it's because they have to transport the goods and services that they're going to pass along.

**An Hon. Member:** Airline tickets.

**Mr. Bonko:** That's right. Also mentioned is airline services and tickets going up as well. Well, the aviation fuel is a whole other thing, but I'll get to that one.

Like I said, when we are talking to people at the pumps, people are finding it pretty outrageous. You know, even just regular gas is

now at \$1.09, and then you go to mid-grade, which is at \$1.13, and you go to premium, which is about \$1.20. I'm having a hard time even coming up with the fact that they can justify paying that. It jumps in leaps and bounds, maybe 5 to 6 cents on the first jump, but it takes so long to come down. There's just no actual justification as to that. Why does it in a single night go up, you know, 8 to 10 cents, and it takes three to five to eight weeks to come down?

Miraculously, every long weekend or a holiday when people are looking at travelling the province, going to see loved ones, see parents, prices always go up. Is it a coincidence? I don't think so. They know that the consumers are going to be driving the highways. Consumers are going to be getting in their cars, taking a vacation, going out, leaving the cities, getting away from it, and they're going to be gouging us. It's just a phenomenon that happens. I'm sure there's a day they call each other along the gas bar strips and figure out, you know: what's a good price to charge people? But people continue to pay it. It's supply and demand.

People in rural areas, especially the rural MLAs or the people that are working out of town, maybe get a discount with regard to their employers paying a portion of it, but the average person doesn't get a break on it. The people here within the Legislature do get a break on it, but no one else gets a break. [interjection] Yeah, there is someone snoring in the House here. It's unfortunate that we're all not on our toes here listening to the debate. It could be the member from Rocky Mountain House. Isn't it Rocky Mountain House? Rocky Mountain House. Yeah, that's where the snoring is coming from, then, perhaps.

Anyways, getting back to the gas piece here, I think I said that we're all in agreement that something needs to be done. It's just a matter of exactly what. It probably would be great, you know, with the Smart cars. That would be another thing, but that doesn't altogether prove to be very viable when wintertime comes. You get stuck in the middle of the thing, and you're hoping for good Samaritans who can afford to drive to be able to push you out.

**Mr. Eggen:** They're easy to push.

**Mr. Bonko:** Exactly. They're easy to push out, but it's the fact that you've got to be pushed out.

So, you know, here we are stuck with the solution here, and people are complaining.

#### **Speaker's Ruling Relevance**

**The Deputy Speaker:** I've been listening to the debate for most of the evening, and we're hearing about the cost of commodities of all different sorts. I'm looking through the bill, and the bill is the Fuel Tax Act. In second reading we talk about the principles of the bill, and I haven't heard a whole lot of discussion around the Fuel Tax Act. Perhaps if all the members read the bill first, they could focus their comments actually on the bill.

Please proceed, but focus your comments from this point forward on the bill.

Thank you.

**Mr. Bonko:** Well, I think I did mention the fuel tax at least once or twice there, Mr. Speaker. But if that's the will of the Speaker, then I guess I could in fact open up the guide, as you say, and continue with it as briefly as I can on occasion.

#### **Debate Continued**

**Mr. Bonko:** Again, going back to the price of gas, Mr. Speaker, and

all the tax on that gas – some are saying that it's a federal deal. Some are saying that it should be the provincial responsibility to ensure that at least the consumers, the people of the province are shielded. I know that in other provinces they have put forth some sort of legislation that the big monopolies have to justify the price going up. They have to make sure that they can in fact justify it. People are talking about supply and demand, and I can understand that portion of it as well. But, again, if we have a hurricane down in the south and some of the refineries are knocked off, that still doesn't account for how you can have even perhaps a 25 per cent increase.

Mr. Speaker, I'll sit down and perhaps wait to have some more enlightening debate, and I can get up and speak as well then.

**The Deputy Speaker:** The hon. Member for Cardston-Taber-Warner, I'm assuming under 29(2)(a).

**Mr. Hinman:** No. I was just hoping to speak on the bill for a minute.

**The Deputy Speaker:** Okay.

The hon. Member for Edmonton-Gold Bar under 29(2)(a).

**Mr. MacDonald:** Yes. Thank you, Mr. Speaker. To the hon. Member for Edmonton-Decore. Three years ago we had urged the government to conduct an inquiry into gasoline pricing in the province. We had asked the Premier to initiate a public inquiry into this matter. If the hon. member has suspicions about the free market, do you think that if we had an inquiry into gasoline pricing and the market structure in this province, the hon. member would be more confident in the marketing system?

**The Deputy Speaker:** The hon. Member for Edmonton-Decore.

**Mr. Bonko:** Well, thank you, Mr. Speaker, and I thank the Member for Edmonton-Gold Bar for raising that point. I think that would be a hell of an idea. [interjections] A heck of an idea. The sound does echo differently from here to over there.

I would have more confidence and I think consumers would have more confidence if, in fact, their government took interest and took the proactive approach to ensure that the pricing is fair and equitable and can be justified. But for the fact that it isn't right now and we have made no inquiries as such, people are still left wondering as to the question: is it fair? Is it equitable? The government isn't saying anything.

People are talking all the time. I'm sure MLAs on an ongoing basis continue to get calls at their office. I know I have, even if it's just from rural people calling and complaining, those that have the hobby farms out there, about the tax and about the gas itself, that it's just unreasonable, and again from the city people as well saying: "You know what? This gas is just too darned expensive." So, yes, I think an inquiry from the government would most justify my curiosity and settle my concerns with that.

1:50

**The Deputy Speaker:** Seeing no one else, the hon. Member for Cardston-Taber-Warner on the fuel tax bill.

**Mr. Hinman:** Thank you, Mr. Speaker. It's a privilege to be able to get up and to speak to Bill 35, Fuel Tax Act, at this early hour of the day and to hopefully clarify a few things and the concern.

I guess I want to refer back once again to the Fort McMurray area

and the incentives that the government has put in place in order to bring industry in there to develop the tar sands and wanting to move on with that. But we have a definite problem in our cities with the consumption of gas and diesel and the fuel things. To go back to the saying that Ronald Reagan always liked best: tax more what you want less of and less what you want more of. I'm just going from page 11 on the rate of the tax.

11(1) The tax required to be paid pursuant to this Act shall be paid at the following rates:

- (a) with respect to gasoline, diesel and other prescribed fuels, \$0.09 per litre;
- (b) with respect to aviation fuel and locomotive fuel, \$0.015 per litre;
- (c) with respect to liquefied petroleum gas, \$0.065 per litre.

That's the one area, I guess, where I have the greatest concern. We have a production of approximately 10 billion litres of propane or liquid gas here in the province, and we export 80 per cent of that. It just seems: why would we want to export one of the cleanest fuels that we could use here? It's an easy gas to move around the province. It's much better than our natural gas, which takes high pressures of 3,000 psi in order to get very much in there, yet we've put in such a disincentive here to use up the liquid petroleum that we have here in the province.

I just would like to see more incentives, that we would use a product that we have here and have the ability to use in the cities and different areas. It's just an excellent product. It just seemed wrong to put such a high tax on it and to make it prohibitive to make the conversion over to this. We would like to use the cleanest fuels possible. We have an opportunity to do it. It's just disappointing to see, like I say, such a prohibitive tax put on the propane fuel.

The propane people came here last week to lobby the government, and I was disappointed to hear their response: "Well, you know where we're at. Why haven't you been here?" I was astounded to hear that. We make globe-trotting trips to try and find out new technology or go to France to supposedly find out how to deal with cancer research and all over, yet with our own production here in the province we don't have the initiative to get out and to look and promote our own products. I think we should be looking in our own backyards.

On the other side of the coin, in talking to the canola growers, they would like to see production of ethanol and biodiesel and those areas there. We need to look at some sort of incentive in order to bring these clean fuels to use here in Alberta. I believe that we could be innovative in different areas. The companies that want to put up refineries in those areas for the tar sands get good tax breaks, yet again we don't see anything in here to bring the initiative or the investment into the biodiesel or the methanol production. It would be good to be a little bit innovative and to look at those other industries and the cleaner fuels.

You know, taxes are a very driving element. It always amazes me how many people buy or sell different things, farmers especially, trying to get around to save some money, to change their inventory in other areas. It's the same with the taxes on the fuel. We could and should do better. I would urge this government to look at those fuels that are what we consider greener fuels and to reduce the taxes and to put incentives in there so that we could have more of that here in the province and could be leading the country in that area.

Thank you.

**The Deputy Speaker:** The hon. Minister of Finance to close debate?

[Motion carried; Bill 35 read a second time]

head: **Government Bills and Orders**  
**Committee of the Whole**  
(continued)

[Mr. Marz in the chair]

**The Chair:** I'd like to call the committee to order.

**Bill 26**  
**Mandatory Testing and Disclosure Act**

**The Chair:** Are there any comments, questions, or amendments to be offered with respect to this bill? The hon. member for Edmonton-North Hill. No. Calgary-North Hill.

**Mr. Magnus:** You know, it's bad enough, Mr. Chairman, that the Flames lost tonight. Now you're calling me an Edmontonian.

Mr. Chairman, I'm pleased to rise and address issues regarding Bill 26 that were brought up during second reading. The Member for Edmonton-Centre said that the bill had good intentions, and I'd certainly agree with that. She did ask, however, about statistical need for the bill and how many times in a year we do have emergency workers who believe they've been placed in this position. In Alberta the numbers are likely to be small, probably less than 10 a year. However, the act was broadened so that good Samaritans could also make application under the act in addition to the police, firefighters, paramedics, corrections officers, and special constables, who are the key drivers of this legislation.

The member also asked about the effectiveness of the bill. The objective of Bill 26 is to minimize the impacts of being exposed to bodily fluids while carrying out duties as a police officer, firefighter, or paramedic or as a result of providing emergency assistance to someone. The faster information can be obtained about a source individual, the more effective it will be. However, the rights of the source individual cannot be overlooked, and I think that this bill strikes a very good balance between the time it takes to get an order and the protection of the source individual against an unreasonable invasion of privacy.

First responders believe this legislation will provide peace of mind for themselves and their families. They face tremendous stress when exposed to the bodily fluids of other individuals. The legislation will assist them in making decisions regarding postexposure prophylaxis for communicable diseases such as hepatitis and HIV. If this legislation provides peace of mind to even one police officer or firefighter, Mr. Chair, it will have been effective.

It's likely that most applicants will have to start on prophylactic medications once the extent of the exposure is determined. However, once test results from the source are available, they may be able to stop their medications.

Regarding the issue of false negatives, the bill does not negate the necessity for appropriate medical care following an exposure. There are protocols for assessment and care following exposure to blood-borne pathogens that will still continue as well as normal clinical practical guidelines.

In addition, an application for an order under this bill had to be made with a physician form, and a physician education program and properly designed physician form will further enable physicians to make the appropriate decisions regarding the need for treatment.

The member also asked: how many people refuse a blood test when they're asked to give it? It's unclear at this point how often the courts will be asked to supply an order when people refuse to voluntarily provide a sample. We don't have specific statistics. However, we believe that having the ability to get the court order will make individuals more likely to provide samples voluntarily.

A question was raised as to whether there are less invasive alternatives to use for the same circumstances. Bill 26 has been drafted to enable the use of the least invasive method of testing. With the new process in place for a possible communicable disease database search we may be able to ascertain accurate disease status on some source individuals without a bodily sample. Since this legislation is not limited to blood samples as medical knowledge and testing procedures improve over time, there will be flexibility with respect to the types of samples required. This will allow for the possibility of less invasive testing.

I'd ask members for their support of Bill 26, Mr. Chairman.

2:00

**The Chair:** The hon. Member for Edmonton-Centre.

**Ms Blakeman:** Thank you very much, and thank you for the answers to the questions that were put on the record during second reading of Bill 26, the Mandatory Testing and Disclosure Act. Having heard that, I'm happy enough to support this bill in Committee of the Whole and don't anticipate bringing forward any amendments to it.

I was pleased to see that it was coming into line with the Uniform Law Conference of Canada. In second reading I had raised the four tests that were set out by the Privacy Commissioner of Canada. The member has answered some of those tests, which were around how much of an issue this is and the issues about the invasion of privacy and the less invasive alternatives. I've gone through section by section and analyzed that. I think there have been a number of processes put in place here to make sure that the rights are being protected, that we're doing the best we can to look after our first responders, our emergency personnel, and balancing that with an individual's right to privacy and not to be subjected unduly to tests.

I like seeing the amount of detail that I'm seeing in this bill. You know, you look at section 3, application for testing order. It outlines the circumstances for when an individual can apply for a testing order, what's required to be in the order to submit the application, identifying the circumstances in which the individual came into contact with the source individual, accompanied by a physician's report. I mean, all the detail is there, and that's what I would expect to see.

You know, section 7 is going over the physician's report. There's an application for a testing order that's accompanied by a physician's report confirming that there was a legitimate risk of exposure. There's a reason to be doing all of this, in other words. It sets out time limits when this should happen.

I think there's been a lot of work done on this bill since it first appeared as the Blood Samples Act in 2004, sponsored by the Member for Edmonton-Castle Downs. This is a huge improvement, and a lot of my concerns have been addressed. I always think we've got to be very careful about this and be very careful to balance, but I'm happy enough with the work I've seen the member do.

I'm willing to support it in Committee of the Whole. Thank you.

**The Chair:** The hon. Member for Edmonton-Gold Bar.

**Mr. MacDonald:** Thank you very much, Mr. Chairman. It's a pleasure to get an opportunity to speak on Bill 26, Mandatory Testing and Disclosure Act. I would like at this time to express my thanks to the hon. Member for Calgary-North Hill for his work on this legislation. Certainly, I think that this is a major rewrite of the Blood Samples Act of 2004. It proposes a new legal framework for requiring individuals to submit a blood sample. For instance, it allows police officers, firefighters, paramedics, peace officers, and

good Samaritans who are exposed to bodily fluids, whether it be by biting, spitting, bleeding, et cetera, to apply for an order for information from the Provincial Court of Alberta. An order for information would allow for a search of the reportable disease databases and, if required, a mandatory blood sample. I see nothing the matter with this.

In conclusion, I would again like to be on the record stating that I appreciate the work that the hon. member has put into this, and I will be very happy to support the hon. member in his work on this bill. Thank you.

**The Chair:** The hon. Member for Edmonton-McClung.

**Mr. Elsalhy:** Thank you, Mr. Chair, as I participate in debate on Bill 26, Mandatory Testing and Disclosure Act, at this stage of debate. Again I promise to be brief in light of the hour.

I didn't have a chance to talk to this bill in the earlier stages, so I just wanted to put some of my comments and thoughts on the record. I would start by noting that the hon. sponsor of the bill has done a good job, and I thank him for bringing this forward. This bill already has the support of police, firefighters, correctional workers, and emergency workers. It is definitely intended to support workers in high-risk jobs who face real danger on a regular basis.

There are currently two instances where bodily samples can be taken without consent, Mr. Chair. The first one is testing for alcohol when there are reasonable grounds to suspect impaired driving, and the second is taking DNA samples related to prosecution for serious crimes. Now, both of these instances are under the Criminal Code of Canada, and they both require that there be reasonable grounds to suspect criminal wrongdoing.

I have some minor concerns with this bill with regard to testing, for example, in that a test can yield a negative result, as was mentioned before, yet we don't know for sure that this person is not a carrier or is not ill with a certain disease. As such, emergency workers and good Samaritans alike will be asked to take precautionary measures, or prophylactic drug cocktails, to avoid contracting the same disease or bug.

Now, from a privacy standpoint the former Privacy Commissioner of Canada has outlined four basic tests to be met. I know that the hon. sponsor has already spoken to some of them, but I'll just repeat them on the record. Test number one is: is this bill necessary? If I'm asking this question, I guess my question would be: what led to the introduction of this act? What circumstances dictated that this Assembly discuss this topic? How prevalent are the cases where communicable diseases are transferred from source individuals to new victims who originally did not carry or have those diseases? You can talk about emergency workers or good Samaritans performing CPR or rescues or first aid.

The second test is whether this bill is effective, and I think it is going to definitely elicit some positive results.

Test number three: how much of an invasion of privacy might there be? The hon. sponsor talked about people who refuse a blood test, for example. We need to maybe keep some statistics on how many people willingly agree and how many people need convincing and how many people are adamantly opposed to it and would not budge and would not yield.

Then test number four: are there less evasive alternatives? We know that there are new technologies now that are not as invasive, things like, you know, breath tests or ultraviolet cross-skin scanners that are being used now with some success and so on and so forth.

My next concern is whether, in fact, passing this bill might inadvertently lead to, you know, instances where we actually create or spread fear or panic. For example, if what we're dealing with is

something of the scope and magnitude of things like SARS or avian flu or HIV or AIDS or Ebola, these are bad bugs or bad viruses or bad diseases, and if there's reason to believe that a certain infection is widespread or is spreading, then there might be hysteria or mass panic. So, again, maybe safeguards as to how the public is going to be informed and when and where those tests would be required.

2:10

My next point would be pertaining to the privacy of the collected data and the integrity and security of the communicable diseases database. It's being left for regulations. The definition of communicable disease and also the database and how it is managed is left in regulations for the minister in charge to look at. So we need to get some assurances that the information is going to be guarded and is only going to be used for the purposes stated. This is definitely a fine line that we're walking here to balance privacy and safety.

My next point would be with respect to the dignity and respect that are afforded to the source individual, the person that we're asking to test. They need to be treated with dignity and ultimate respect. It's maybe stressful enough to ask them to undertake a blood test. Then, you know, we need to tell them that we're doing it for their well-being and that of society at large. So dignity and respect are important.

I know that my hon. colleague from Edmonton-Centre talked about some section-by-section and line-by-line analysis, but I wanted to focus on section 13 with respect to the results of the analysis and how the sample results are going to be utilized. The medical officer of health must "provide a copy of the results to the applicant's physician and to the source individual's physician," so the source and the target, and inform the applicant and the source that their physicians have also received the results. So not only give them the information; tell them that they have it and that "the results of an analysis are not admissible as evidence in any criminal or civil proceeding."

Section 16 talks about confidentiality, and I briefly touched on that. Again it's that issue of privacy.

Section 19 talks about the offence and penalty. It says that contravening this act would make the person liable for a fine of not more than \$2,000 for the first offence and not more than \$5,000 for subsequent offences. Now, I just need clarification as to what would constitute a contravention of the act or a breach of the act. Is it the person refusing to give a blood sample, or is it maybe the person at the other end refusing to take a blood sample? So just a definition of what would be deemed a contravention of the act would be most useful and most appreciated.

With that, Mr. Chairman, I thank you for this opportunity to speak.

**The Chair:** Are you ready for the question on Bill 26, Mandatory Testing and Disclosure Act?

**Hon. Members:** Question.

[The clauses of Bill 26 agreed to]

[Title and preamble agreed to]

**The Chair:** Shall the bill be reported? Are you agreed?

**Hon. Members:** Agreed.

**The Chair:** Opposed? Carried.

## Bill 33

### Alberta Personal Income Tax Amendment Act, 2006

**The Chair:** Are there any comments, questions, or amendments with respect to this bill? The hon. Member for Edmonton-Rutherford.

**Mr. R. Miller:** Well, thank you very much, Mr. Chairman. I don't have an awful lot to say. I've made most of the comments that I wanted to on Bill 33, although I could always change my mind. I made the comments that I thought were particularly relevant during second reading, although I would like to reiterate that while this bill does provide a modicum of tax relief, particularly for low-income earners, which is always a good thing, the Official Opposition caucus still believes that we should be eliminating the health care premium tax. Another one that I'm particularly passionate about is the 3 per cent insurance tax, which I believe most Albertans aren't even aware they pay.

I do have a question on section 4, Mr. Chairman, in this amendment act as we discuss it today. Section 4 talks about increasing the base salary for spousal and eligible dependent tax credits from \$12,900 to \$14,899, yet on page 136 of the 2006-2007 fiscal plan it states that "we will also increase the basic, spousal and eligible dependant amounts by an additional \$100, raising the amounts to \$14,899 for 2006, up from \$14,523." So the question I have is: why is the legislation presently using \$12,900 instead of the \$14,523 that is referred to in the fiscal plan? I'm assuming that that has to do with the indexing that has taken place since that part of the bill was last amended, but I don't know that for a fact. I'm wondering if the Minister of Finance might be able to clarify that for me.

I guess the only other question I have is a relatively minor one as well. Section 7 of the amending bill refers to the 2006 taxation year, and I believe it either cites in the bill or I saw it elsewhere that that, of course, would start on July 1 of this year, 2006. I'm wondering what impact that might have on the government's fiscal year since, of course, that doesn't coincide with the taxation year. We're actually in the 2006-2007 fiscal year for the government right now. I'm sure that this is probably a bit of a conundrum for the government any time because their fiscal year doesn't match up entirely with the taxation year. That was a question I had, just curious what the impact on the government's fiscal plan might be with making that change.

Those were the only questions I had at the committee stage, Mr. Chairman. I look forward to receiving a response from the Minister of Finance, and I will take my seat and allow somebody else to ask their questions. Thank you.

**The Chair:** The hon. Member for Edmonton-McClung.

**An Hon. Member:** Calder.

**The Chair:** Oh, Edmonton-Calder.

**Mr. Eggen:** Okay. Thanks, Mr. Chairman. We have some latitude in our geographic associations here at this hour. It seems like the south end of Edmonton and the north end of Calgary are joining, and the west and the north are moving.

Anyway, I'm happy to make some comments on Bill 33, Alberta Personal Income Tax Amendment Act. I don't think I've had an opportunity to speak on this before. I guess the overall criticism that I would put forward is that it doesn't seem to be a significant tax saving in a very progressive sort of way; in other words, allowing greater tax savings to be realized by persons and families who would

most need it. You know, that's a fundamental problem with our whole tax regime, Mr. Chairman, in this province. We've gone away from using a progressive system to administer or levy our tax system.

A progressive tax system is really the fundamental basis of a sound, democratic system because, of course, without being able to adjust for different income levels, then you are creating vast inequities between different levels of income. Most of the democratic world, in fact, uses a progressive tax system, and we do use it when we need to here, when we realize it. Unfortunately, it creates serious problems. Whenever we talk about personal income tax amendments or changes, what have you, that fundamental problem exists. What we have with this current amendment is certainly an adjustment, but it's not a significant one in terms of the amount of monies that people are realizing in savings.

2:20

I think that at this point we need to look at some individual sections of the bill here. I guess my first place in the bill would be over on page 4. This is adding the clause regarding the \$400 prosperity cheque sent out in the fall. It says:

In the case of an individual who is an eligible individual in respect of one or more qualified dependants but is not eligible in respect of himself or herself to a rebate under this Division, \$400 for each qualified dependant.

This allows for all children born in Alberta as of the cut-off date to qualify for the prosperity cheque despite their parents not having paid taxes in Alberta that year. I think this is probably a reasonable means by which to capture as many people as possible, so I commend it for that.

As well, just looking here, it says that Albertans are settling for a hike in the basic personal tax exemption from \$14,523 to \$14,899. The hike amounts to only, really, a \$10 savings on top of the \$25 break gained from inflation indexing. So, Mr. Chairman, that only adds up to 35 bucks, right? You know, giving us a \$35 tax savings, considering the \$265 million, say, corporate tax break that we saw in this same budget, really points to the sort of skewed priorities, I think, that the government has. You know, we came up with sort of this ad hoc \$400 prosperity cheque, but really if you want to build savings or pass on savings to each individual, the best way to do it is through the taxation system. It gives you a framework. It gives you accountability. It hopefully allows for you to make adjustments according to a person's income. It can be something that people can count on. It provides a lasting framework over time.

That's where we need to go if we are going to in fact try to make adjustments for inflation or give people some equity back from windfall energy revenues or what have you or even to help people with their energy bills as well. Through the tax system is a way by which we can do that. It certainly does make more sense. So, please, when we are looking to do the same next year because we know that there will be windfall revenues in our budget, I would ask that we look to reforming our personal income tax system and then use that system as the framework by which we pass on savings to every Albertan in the most equitable way possible.

Thanks, Mr. Chairman.

**The Chair:** Are you ready for the question on Bill 33, Alberta Personal Income Tax Amendment Act, 2006?

**Hon. Members:** Question.

[The clauses of Bill 33 agreed to]

[Title and preamble agreed to]

**The Chair:** Shall the bill be reported? Are you agreed?

**Hon. Members:** Agreed.

**The Chair:** Opposed? Carried.

### Bill 31

#### Health Information Amendment Act, 2006

**The Chair:** Are there any comments, questions, or amendments to be offered with respect to this bill? The hon. Member for Calgary-Nose Hill.

**Dr. Brown:** Thank you, Mr. Chairman. I'm happy to have this opportunity to address the questions about Bill 31 that were raised during second reading. The hon. Member for Edmonton-Centre had asked whether the sections about the registration number for health service providers are reflective of the review committee's recommendation 13. I can confirm that this is directly related to the Select Special Health Information Act Review Committee recommendation 13.

Regarding the PATRIOT Act, let me make a couple of points. The following sections address the concerns of the PATRIOT Act: section 3, section 5(i) and (ii), and section 17(a), (b), and (c). Those particular amendments are intended to protect the privacy of Albertans by ensuring that their health information cannot be automatically disclosed in response to a U.S. court subpoena, warrant, or order.

Currently under the Health Information Act health information may be disclosed on the authority of a court, which is not specifically defined. This legislation would now define the court as being a court that has jurisdiction in the province of Alberta. Without limiting the definition to Alberta, of course, individuals and companies that may be subject to a U.S. jurisdiction, such as parent companies of Canadian operations, may have to disclose health information to comply with the law under which they are incorporated.

Changing from an ethics committee to a research ethics board is directly related to the review committee's recommendation 39, which reads, "The term 'ethics committee' should be changed to 'research ethics board'." Research as defined in the Health Information Act includes "academic, applied or scientific health-related research that necessitates the use of individually identifying diagnostic, treatment and care information or individually identifying registration information, or both."

The hon. Member for Edmonton-Centre had asked about other governments being able to access health information. The committee recommendation is reflected in section 5(i) of the amendment act, which enables other provincial and territorial governments to obtain information about health services which they fund and which have been provided to the persons under their jurisdiction. This would enable the various provincial and territorial jurisdictions to use the information and also to develop appropriate policies and to plan and manage their health system.

The hon. member also posed questions regarding the registration information to complete warrants, the removal of provision 35(1)(j), and the addition of section 37.3. The addition of section 37.3 is intended to address committee recommendation 31. This amendment would enable custodians to exercise discretion in disclosing a limited amount of health information to police and prosecutors for reasons of public safety. These specified data elements may enable the police to obtain a subpoena, warrant, or order issued or made by a court to access additional health information.

With the amended provision a custodian could respond to a request from the police service, and they could initiate contact with the police if they felt that that was required. The amendment enables the disclosure of health service provider information for public safety as this is a piece of information that the police may require in order to obtain a subpoena or a warrant or an order. These provisions would replace what is currently section 35(1)(j).

The amendment in section 5(r) regarding payment is intended to enable the disclosure of limited health information without consent to third parties for payment purposes. An example is to enable third-party insurers to adjudicate the payment of health services or products without referring to the individual for consent. So this does not refer to a guardian as they would not be under a contract.

The member also posed a question about the removal of what is currently section 35(4)(b)(ii), which speaks to the information being disclosed by a custodian to a health professional body. The current wording in the Health Information Act is not consistent with the wording in the Health Professions Act. This causes a conflict for the custodian who is disclosing the information to a professional body. So by removing the section requiring destruction of the information at the earliest opportunity, the intention is to harmonize these two pieces of legislation and to rely on the records retention provision in the Health Professions Act. That retention period is now 10 years.

2:30

The hon. member also asked about committee recommendation 34. The addition of sections 37.1 and 37.2 is intended to address this recommendation.

The scope of the Health Information Act is primarily the publicly funded health sector. Custodians include fee-for-service providers. The Health Information Act does not apply to providers who offer privately funded health services. The new section addresses disclosure provisions only. They have no impact on the ability of custodians to collect or demand additional health service provider information.

Section 8 does indeed relate directly to the committee recommendation 43, which reads:

The requirement to note every disclosure of individually identifiable health information without consent should be retained and amended to not require notation of the purpose of the disclosure when the disclosure is made electronically through a system with automated audit capability.

In other words, there is an audit trail there left by the electronic sending.

Mr. Chairman, these are my comments. Before I proceed, I would like to introduce an amendment being proposed for Bill 31 and ask for its circulation in the House.

**The Chair:** We'll wait a moment till they're distributed. We will label this amendment A1.

Okay. Hon. Member for Calgary-Nose Hill, you may proceed.

**Dr. Brown:** Thank you, Mr. Chairman. The amendment now being circulated in the House references section 2(b)(ii) of the bill, which proposes to add a registration number to the list of data elements that are included in the definition of health services provider information in the act.

Now, in a recent order the Privacy Commissioner ruled that since the term "registration number" was not specifically identified in the act, it was not health information, so the intention of the department was to add the registration number to the list of health services provider data elements in an effort to be consistent with the inclusion of the licence number and to align with the principles of the Health Information Act.

While the department considered this somewhat of a housekeeping amendment, concerns have since been raised that it may have had some unanticipated impacts for third parties. One such third party has appealed the decision of the Privacy Commissioner with respect to the collection of health information, and that decision is currently undergoing judicial review. The department is proposing to monitor that court proceeding and re-examine the issue as required. I would like to point out to hon. members that it was not the physicians who asked for this amendment.

**The Chair:** Does anyone wish to speak to the amendment?

The hon. Member for Edmonton-Centre.

**Ms Blakeman:** I'll adjourn debate on the amendment.

[Motion to adjourn debate carried]

### Bill 34

#### Alberta Corporate Tax Amendment Act, 2006

**The Chair:** Are there any comments, questions, or amendments with respect to this bill? The hon. Member for Edmonton-Rutherford.

**Mr. R. Miller:** Well, thank you very much, Mr. Chairman. My pleasure to rise tonight and speak to Bill 34, the Alberta Corporate Tax Amendment Act, 2006, in committee stage.

I want to start out by making some comments regarding debate in second reading and a reference from the Member for Edmonton-Highlands-Norwood, the leader of the third party, who noted that I was offering my qualified support for a corporate tax cut and made some comment about the fact that the Alberta Liberals want everything for everybody. I will admit that we're not like the NDs, and we don't necessarily believe that big government is good and big business is bad. We're not even necessarily like the Conservatives, who believe the opposite. They would tend to believe that big business is good and big government is bad, or at least they used to believe that big government is bad. More recently, of course, with the addition of ministries like Restructuring and Government Efficiency and an associate minister of transportation, I'm beginning to wonder if maybe they don't believe in both big business and big government at the same time.

**Ms Blakeman:** Well, they don't walk the talk.

**Mr. R. Miller:** That would be the case: they do not necessarily walk the talk.

When we look at Bill 34, the Alberta Corporate Tax Amendment Act, in the committee stage . . .

**The Chair:** Members, if we could keep the background conversations down, it would be appreciated.

The hon. Member for Edmonton-Rutherford.

**Mr. R. Miller:** Thank you very much, Mr. Chairman. Not really an awful lot of concerns regarding the legislation per se, but I would like to point out a couple of them. In section 2, which is identified as accommodating federal legislative changes, I'm wondering if the Finance minister might be able to elaborate on the reimbursement of the Crown charges. This is something that comes out of page 1 of Bill 34. Also, again I'm wondering if the minister might be able to provide an example of when section 12.1(1) would apply.

Then in the three-column documents, Mr. Chairman, that were

provided to us when the minister's staff gave a briefing, on page 1 of that document they refer to the fact that Alberta is not paralleling the federal transition process. My question would just be: why was it deemed not necessary in that particular case to parallel the federal transition process?

Now, section 4, Mr. Chairman, is the section where we actually identify that the cut is to be to 10 per cent from 11.5, which it is currently. I'm curious to know why the minister chose to make that cut this year. We all know that that's a cut that has been promised for some time now. I think it goes back about five years. Every year the business community, especially the small-business community, has been asking the minister and, in fact, lobbying the government and lobbying the opposition for that cut to finally take place. Every year the minister says, "Well, you know, it's one of many tax cuts that are under consideration" and that they always consider tax cuts and that they're always willing to look at tax cuts. But year after year it's been put off and put off and put off. Finally, this year we see it come forward.

The question is: why this year? In particular, I'm wondering whether the government committee that she referred to last fall that would be reviewing the tax regime in fact finally did recommend that the cuts should go ahead this year, Mr. Chairman, and if so, if that was the case, if she would be willing to table that committee's report in the Legislature and let all Albertans see the recommendation.

**2:40**

Section 7(1) refers to mutual trusts. Since in an earlier bill that was dealing with securities, Mr. Chairman, we actually struck a section that dealt with income trusts and it was indicated that it was being folded in with mutual trusts and that the two were being treated similarly, I'm wondering if that's the same case with this section 7(1).

Section 10 allows the minister to waive penalties or interest owing, Mr. Chairman. I'm wondering if, in fact, the minister or the ministry has ever actually used that power under the act and, if so, if the minister might be willing to make available to this Assembly an itemized list of when that power has been utilized, once again so that all Albertans would have the opportunity to see which corporations have been granted that exemption or granted that waiving of their penalties and interest owing.

**Ms Blakeman:** Special status.

**Mr. R. Miller:** Well, you know, Mr. Chairman, the Member for Edmonton-Centre is suggesting that perhaps some corporations in Alberta might be given special status from this government. I'm certainly not saying that that is the case, but I think it would be fair to say that there are a number of Albertans who would suggest that it might be the case. If it isn't, then there would be no reason to withhold that information from Albertans. If it is, then all the more reason why I should be asking the question, I suppose.

**Ms Blakeman:** Well, it's certainly not transparent.

**Mr. R. Miller:** It would speak to transparency and openness, suggests my colleague for Edmonton-Centre, and I think that that's a fair comment. There's been a lot of talk, Mr. Chairman, in this Assembly this week about the issues of openness and transparency. I've said many times that anything we can do to assure Albertans that their government is operating in an open and transparent manner, that would be a good thing. In fact, I believe we had a draft report distributed to MLAs this week on the Conflicts of Interest Act

Review Committee. I know that it was discussed in this Assembly last night, and there was discussion about the fact that we are finally dragging this Assembly into the 21st century in terms of a little more openness and transparency. As I said, that's a good thing. Certainly, if we could do likewise with the Corporate Tax Amendment Act, we would all be better served for that.

Section 13, Mr. Chairman, clarifies the definition of insurance companies to ensure that they are paying the insurance tax. Now, I think I mentioned in debate earlier tonight that any time the government changes a section like this to ensure that somebody is paying a tax, it would cause me to question whether or not, in fact, somebody hasn't been paying a tax. Therefore, I wonder whether or not the Finance ministry has perhaps been allowing revenue to slip through their hands and at what cost to the Alberta taxpayer, at what cost to the finances of this province. So that's certainly a question I would have, and I'm wondering if at some point the minister might like to comment on that. If, in fact, that is the case, once again I'm wondering if maybe the minister would provide in writing an estimate of the amount of money that may not have been collected from insurance companies as a result of the legislative wording the way it is now and the prompting of this change in the wording of the legislation before us today.

Finally, Mr. Chairman, section 14. I'm wondering if the minister might identify for us why section 106(1.01) is being substituted.

Those would be my questions for this evening, Mr. Chairman. I look forward to a response from the minister either tonight or at least hopefully before this bill gets to third reading. That would help me to determine once and for all whether or not I'm going to continue my qualified support for this bill.

Thank you, Mr. Chairman.

**The Chair:** The hon. Member for Edmonton-Calder.

**Mr. Eggen:** I am very interested in speaking to Bill 34 this morning, the Alberta Corporate Tax Amendment Act, 2006. The robust economy that we are enjoying in Alberta is due in no small part to the activities of our many fine businesses that operate in the province, and we certainly wish them well. We have no problem. In fact, we encourage the business activity that does go on in the province. We have seen unprecedented growth and development of so many sectors of our economy in the last 10 years. It's quite remarkable. Alberta has shone as a business centre for not just Canada but across North America. That is a positive thing. It affects most people in a positive way in this province.

Considering that, Mr. Chairman, and considering the boom that we are experiencing at this point in time and the robust activity in our economy, I think that by the most conservative estimates of economists then, it's certainly not the time that you continue with corporate tax cuts. It runs exactly opposite to best practices in regard to managing a boom. I find it remarkable that this agenda continues on. What we do need to do is manage our taxation system according to how the economy is performing. If the economy takes a downturn, then that's when you give the tax cuts to businesses. We certainly recognize the value of that and encourage it to happen.

But this is not the time when you have a downturn in the economy. It's quite the opposite. So it's as though you're using a tool that you have at your means and firing it off at exactly the time that you don't want to use it. It paints the government into a corner to do so, and it is, quite frankly, irresponsible to do so at this point in time. We certainly don't preclude the possibility of using tax cuts in a measured sort of way according to how the economy is performing.

So I just really wonder why this agenda moves on. There have to be ulterior motives in mind. I think of a whole range of reasons why

the government would continue with more tax cuts in the midst of a very large boom cycle in our economy. It seems irresponsible because, in fact, you can overheat an economy. This is a widely observed phenomenon economically. That's why on a federal level governments manipulate the interest rates up and down, to manage an economy, to make sure that it's not overheating. So while we don't have that means at our disposal here in the province, we certainly do have the capacity to tweak our taxation system.

2:50

You know, cutting the corporate tax rate is unwise for a number of reasons. First of all, it ignores the fact that Alberta's budget is well above its tax base capacity. We are already depending far too much on oil revenue alone. So to further undercut our stable sources of income, that is taxation, is unwise, to say the least, and potentially disastrous, and I'm not just making this up.

**The Chair:** Hon. members, I know that everyone is anxious to get on the speakers list, but the hon. Member for Edmonton-Calder has the floor. I'd be happy to recognize everybody else as soon as he's done.

**Mr. Eggen:** No worries. I certainly have a lot to say on this, and I'm not going to stop. You know, why are we running this Legislature in the middle of the night? It's because we have a government that's undemocratic. You want to make decisions in the middle of the night and pass things through as if we're smugglers or something like that when, in fact, we can do this in the light of day. There's nothing wrong with running this Legislature during normal hours as opposed to in the middle of the night. I find it absurd that you people sit around and don't listen to what's going on, want to jam things through, and then somehow complain about it afterwards. It's ridiculous, it's undemocratic, and I really don't see the value in it. I think the public has a right to know that that's the sort of thing that goes on here, and I don't think that we're making wise decisions in the middle of the night.

I will continue with something that all of you should know, the Conservatives and the Liberals both, and that is the unwise choice of making corporate tax cuts in the middle of an economic boom.

**Mr. Cenaiko:** What's in that water?

**Mr. Eggen:** I wish I had something in the water, definitely.

You know, in fact, the government's own budget document states that

with no general sales tax, payroll taxes or capital tax, Alberta's tax base is relatively narrow compared to other jurisdictions. While this is a benefit to Albertans, it also comes with some risks. A broader range of taxes means more stable revenues

spread out over a wider area.

With relatively fewer . . . sources, predictable funding for key public services is at more risk in the event of an economic slow-down. Consequently, it is inadvisable to eliminate or to dedicate more taxes.

This is right from the document from your own government, page 134, Alberta's Tax Advantage.

Yet eliminating or reducing corporate taxes is precisely what the government is doing. Further lowering already extremely low taxes while at the same time declaring that because it is so dangerous, they find it inadvisable to dedicate more taxes. In other words, no more tax-based funding for core programs because there are no taxes to fund them with. So we find the irony in doing this. Certainly, during the time of an unprecedented economic boom the whole concept seems irresponsible at best.

Over five years this government has reduced business taxes by 4 per cent. This may seem like a small percentage, but that innocuous amount totals over \$265 million in lost revenue this year alone. In the 2004 budget:

Cuts to corporate income taxes started in 2001, and will save Alberta corporations about \$435 million in taxes this year. These savings are on top of the savings from cuts to other corporate taxes, such as the elimination of the financial institutions capital tax and the drop in the railway fuel tax.

In the last two years alone, then, the cuts from 12.5 to 10 per cent will have taken more than \$700 million out of government revenue. That \$700 million would have paid for three times the amount urged to increase and improve on seniors' and long-term care throughout this province, which was only \$250 million. That \$700 million alone – and remember that's just from two years, not in the whole five years of cuts in the regime that has been set out – would pay for more than twice the amount of all the new schools that are being looked for by the Calgary board of education.

You know, I find it absurd that this is would even be brought forward when what we're doing here is not only changing the corporate tax rate but over time changing the capacity for the government to even govern. So that's why I find it equally disconcerting, and perhaps, I guess, it tells us more about the Liberal opposition than I knew from before. When you are deciding to reduce that tax base past the level where a government can effectively govern and provide the services that are mandated from that government, then I would suggest that that's an irresponsible approach to governance. In fact, you can't have everything. You can't have it all ways. I expect it from the Conservatives. I was very disappointed to hear it from the Liberals. At the end of the day is it up to the New Democrat opposition to be the conservative voice of reason in these issues? Well, I suppose so. I just wish there was more of us.

Secondly, to lower our already low corporate tax rates in order to attract larger corporations who face growing pressures to compete not only here in Canada but on a global basis – this comes from the budget speech – risks establishing a race to the bottom, I would suggest, Mr. Chairman, in terms of corporate tax rates throughout not only Canada but U.S. and Central America as well. We cannot afford to become the Third World labour tax equivalent of North America in order to attract investment, much less when we already have some of the more nefarious laws in regard to labour in the whole country.

It's a difficult situation. I know that we have to compete with other jurisdictions, but you know the competition does not have to be a race to the bottom. There is a recognition that a stable sort of social structure, social programs, as well as a fair wage initiative in certain areas does attract businesses too. It attracts the sorts of businesses that perhaps Alberta is in a position to want to have more than others. So a corporate tax cut just on its own is not necessarily the way to catch the biggest fish. The biggest fish can be caught, as well, through presenting a balanced social fabric that is somehow conducive to raising families and to creating stability. This is something that corporations look forward to as well.

According to the 2006 budget documents the government's own internal review of its tax policy found that "we are competitive within North America in attracting investment and skilled workers," which is great.

**An Hon. Member:** Hear, hear.

**Mr. Eggen:** Yeah.

So let's find that level and stay there. Attempting to demonstrate

that our government must be proactive in lowering corporate tax rates, the budget documents also reference recently proposed tax cuts in Germany, which would lower the rates there from 25 to 19 per cent, still twice the rate that we have here in this province. The only province with a lower general business tax rate is Quebec, with 9.9 per cent. This places us second in Canada with the lowest business tax rates, with our closest tax neighbour, B.C., weighing in at about 12 per cent.

The government's insistence that only by lowering income tax rates will we continue to attract investment and, therefore, skilled workers I think is at best problematic. It threatens to create something of what you call a catch-22. A cut to 10 per cent won't help with the labour and real estate shortages plaguing the province. "The knee-jerk reaction is that a cut in corporate income tax rate will just accentuate the obvious flow of investment that's already well under way towards Alberta, but at the same time businesses might be dissuaded by some of the bottlenecks that [in fact] are arising." This is from an economist at BMO Nesbitt Burns Inc. and from the *National Post*, which is certainly a conservative paper, at best.

You can in fact impede the progress of your economic growth by allowing it to be overheated and not to be regulating it in a reasonable sort of way. We're not suggesting that we dive into the economy so much that we are somehow interfering with its logical progress, but we are suggesting that we do use the means at our disposal, which is a reasonable tax rate, a reasonable corporate tax rate as well as a personal tax rate that will in fact bring in stable revenues for the government as well as have these different sectors pay their due, and the economy will chug along just fine.

Thanks very much, Mr. Chairman.

**The Chair:** The hon. Member for Leduc-Beaumont-Devon.

3:00

**Mr. Rogers:** Thank you, Mr. Chairman. Bill 34 went through second reading on April 24, and I would just like to address a few of the points that were raised at that time. This tax rate reduction will save Alberta business some \$265 million in 2006-07. I'd just like to reiterate that helping Alberta business is helping Albertans. While Alberta's economy is strong now, cutting the corporate income tax rate will benefit the province and its residents for years to come. The lower corporate income tax rate builds a strong foundation for tomorrow's economic growth and job creation so that Albertans will have more jobs, stronger communities, and a better quality of life.

There was also a member that questioned why the tax cut was proposed this year. As I previously mentioned, the government undertook an internal review of the province's tax system to assess whether our tax system remains competitive and fair and encourages economic growth. This review identified, Mr. Chairman, that the general corporate income tax rate is a priority for tax cuts. In 2001 the government promised to take action on reducing corporate taxes. We initiated the process when we reduced our general corporate tax rate from 15.5 per cent to 11.5 per cent between 2001 and 2004. At the same time, the small business rate was cut in half, to 3 per cent, and the small business income threshold was doubled to \$400,000. This bill's proposed cut, to a 10 per cent proposed general corporate income tax, will be another very positive action to help us maintain the competitive advantage of Alberta businesses. The low-rate, broad-based tax environment is a hallmark of this province. Our tax system is simple and transparent, resulting in lower administrative and compliance costs for taxpayers and improved accountability for Albertans.

Just to respond to another point raised by the Member for Edmonton-Rutherford, Mr. Chairman, with regard to the companies

claiming the insurance reserve, this change will ensure that any companies claiming this reserve will also now be subject to an insurance premiums tax. That's reflected under section 86.

I would encourage all members to support this bill. Thank you.

**The Chair:** The hon. Member for Calgary-Mountain View.

**Dr. Swann:** Thank you, Mr. Chairman, for the opportunity to rise in committee to talk about Bill 34, Alberta Corporate Tax Amendment Act, 2006. I rise also to raise concerns about continuing corporate tax cuts and, with my colleague from Edmonton-Calder, have serious concerns, particularly at this time. It is totally inconsistent with principles of sustainable economic policy to be contributing to an already overheated economy in this province.

We've seen unprecedented profits in the industrial sector, particularly the oil and gas sector. The primary industry to benefit from this tax will be the oil industry. It fails to stimulate the diversity that we need in our economy and continues to promote the oil and gas sector over others and to benefit them when already huge profits are being made. We're having tremendous demands, tremendous problems in getting the labour to deal with some of the other important issues in our province because that industry is sucking up everything.

We already have the lowest or very close to the lowest corporate tax in the country, certainly well below most of the other provinces. We are creating an imbalance in Canada. We are already dealing with significant federal tax deductions with this latest budget. We are indeed going to benefit businesses to the tune of \$265 million by this 1 and a half per cent reduction in corporate tax, but where could this \$265 million be invested? In human and environmental protection, surely. This would go a long way to removing the health care premium for Albertans, which is a regressive tax that is penalizing our most vulnerable population and making health care less accessible. We are not funding persons with developmental disabilities adequately. There's a tremendous strain now among caregivers and among those who are the most vulnerable in our society. Indeed, we may stimulate more jobs, we may stimulate more business, particularly in the oil and gas sector, but what about our other responsibilities to Albertans and the significantly larger investment that's needed for protecting our environment for the future?

So I, on balance, have very strong feelings about this 1 and a half per cent reduction in corporate tax and feel that any responsible economic management would see that this is not appropriate at this time, and I certainly will not be supporting this bill along with others in the House. I'll leave my comments at that, Mr. Chairman.

**The Chair:** Are you ready for the question on Bill 34, Alberta Corporate Tax Amendment Act, 2006?

**Hon. Members:** Question.

[The clauses of Bill 34 agreed to]

[Title and preamble agreed to]

**The Chair:** Shall the bill be reported? Are you agreed?

**Hon. Members:** Agreed.

**The Chair:** Opposed? It's carried.

**Bill 29**  
**Environmental Protection and**  
**Enhancement Amendment Act, 2006**

**The Chair:** The hon. Member for Cypress-Medicine Hat.

**Mr. Mitzel:** Thank you, Mr. Chairman. I'd like to start by answering some of the questions from second reading, and I'd like to take this opportunity to begin by addressing comments previously raised by the hon. Member for Calgary-Mountain View, most of which were related to the second amendment, dealing with contaminated sites.

In response to comments on why management of contaminated sites is allowed in the bill, well, these amendments will facilitate cleanup and redevelopment of brownfield sites by incorporating flexible risk management options for protecting health and environment. Cleanup is the option that is promoted above all else through remediation certificates under the EPEA. But when the cost of cleanup becomes prohibitively expensive, there are other, more flexible options that will provide the same level of health protection and allow beneficial reuse of the site, especially for sites that have an active potential for redevelopment, such as Hub Oil. Sometimes risk management alternatives bring revitalization to a community when the alternatives are brownfields.

With regard to the hon. member's concerns about who has the liability for contamination on lands that are transferred to municipalities, I'd like to clarify that the initial persons responsible will remain responsible for cleanup of the contamination and will continue to be pursued using all the enforcement tools in the act. AENV is committed to ensuring that the polluter pays. The amendment simply ensures clarity that a municipality that receives land is not considered one of the parties that is held responsible.

Alberta Environment is developing new regulations specifically addressing the issuance of remediation certificates. The hon. member had concerns as to how inspectors will make consistent decisions on when to issue a remediation certificate and who will be issuing the certificate. The regulation will stipulate the remediation standards that must be met and the information that must be submitted with the application for a certificate. The department is also working with professional organizations to support the use of professionals to sign off on the application, indicating that all requirements have been met.

These measures taken together ensure that very clear rules are in place. We have the additional assurance that professionals review the application. This regulation is being drafted with input from the Contaminated Sites Stakeholders Advisory Committee. The department maintains the authority to issue reclamation and remediation certificates and documents. The department does want to expand the role of professionals such as agronomists and engineers in conducting the work and reviewing the applications. The minister would consult with stakeholders before implementing any expansion of this role to actually issuing the certificate on behalf of the department.

**3:10**

Finally, to address the hon. member's concern on conflicts of interest with partners, the selection of partners will include reviews of conflict of interest. Alberta Environment will develop agreements with partners so that they are clear on accountabilities, responsibilities, duties, and reporting requirements.

I'd like to move on to address some concerns made by the hon. Member for Edmonton-Beverly-Clareview. A question of conflicts of interest was also raised, and I believe I've addressed this issue in my points to the Member for Calgary-Mountain View. The hon.

member also asked for a comment on the need for a public registry of all delegation, transfers of powers, and access to supporting documentation. Well, any system envisioned under the partnership approach is one of shared governance that includes publicly open and transparent processes as well as clearly defined roles and responsibilities of all parties involved. These are our standard operating practices, and it's not necessary to be put into the act.

With regard to the hon. member's question on financial security for reclamation, the Auditor General has asked AENV to ensure that it is collecting the full amount of financial security required by the act and its regulations. The department has been keeping the Auditor General's office informed of its progress in addressing that recommendation. Progressive reclamation reduces the liability that must be covered by reclamation security, and thus the combination of a tool to incent quicker reclamation that reduces the need for security and the work by the department to address the recommendations of the Auditor General is complementary.

The hon. member also spoke on the topic of emissions thresholds. Emissions thresholds are set in regulations or standards that are developed with input from stakeholders. For example, the emissions threshold for SO<sub>2</sub> and NO<sub>2</sub> were developed with input from the Clean Air Strategic Alliance and have been set at: nitrogen oxides to be reduced in half by 2005, from 140,000 tonnes per year to 60,000 tonnes per year, and sulphur dioxides to be reduced by two-thirds by 2005, from 180,000 tonnes to 65,000 tonnes per year.

Alberta Environment sets emissions thresholds in consultation with stakeholders. Even if Alberta Environment entered into some form of partnership delivery, the minister would remain accountable for the development and implementation of the thresholds.

The emissions trading regulation came into effect February 22 of this year. The amendment follows the consensus recommendations of the Clean Air Strategic Alliance and has the support of industry, municipalities, NGOs, which include Pembina, the Environmental Law Centre, and government. The regulation is available to all Albertans through the Queen's Printer website.

In response to the hon. member's question as to why it is an offence to not report historical contamination, the department will continue to work on implementing the Contaminated Sites Stakeholder Advisory Committee recommendations. As we work to implement these recommendations, there will be a detailed review of all of the offence provisions in the act and an update of them in a co-ordinated manner. The offence provisions for the duty to report will be included in an upcoming amendment.

In response to the hon. member's question as to who is responsible for contamination from companies that are no longer in business, the definition of person responsible is quite broad, so there may be other parties that can be required to remediate the sites. The Contaminated Sites Stakeholder Advisory Committee has also recommended a formal process to determine who is responsible for cleanups for companies that go out of business or become defunct. The department will continue to work on implementing this recommendation.

Finally, the hon. member asked why a certain reference to the protection of human health was replaced with "adverse effect." Human health and environmental protection are of paramount concern. The definition of adverse effect in the act includes human health, the environment, and safety or property. Thus, the amendment provides the same protection but allows a broader range of options to return such sites in our communities to productive uses.

I'd like to address the comments recently made by the hon. Member for Edmonton-Mill Woods. In supporting the hon. member's suggestion for committed consultation on the documents that are incorporated into regulations as they're developed, the minister

continues Alberta Environment's long-standing commitment to Albertans to consult with affected stakeholders in developing such documents. I'd also like to clarify that people can obtain copies of these documents that are incorporated into regulations such as the codes of practice through the Queen's Printer. Others such as the department standards are available directly through the department website or through links to other websites.

In regard to the hon. member's comment on the need for public accountability of delegated powers, I believe this question is similar to the one I responded to from the hon. Member for Edmonton-Beverly-Clareview.

The hon. member also asked why the AENV is partially implementing the recommendations of the Contaminated Sites Stakeholder Advisory Committee. I'd like to clarify that the department reviewed the full suite of recommendations and is working on implementing the recommendations in an efficient manner. The approach is consistent with the department's focus on continuous improvement and streamlining of its acts and regulations. The department is committed to continuing work on the remaining recommendations.

I believe I responded to the hon. member's concern over the use of the term "adverse effect" as opposed to "maximum protection to human life, health and the environment" in my comments to the Member for Edmonton-Beverly-Clareview.

Finally, the hon. member asked why the amendment does not allow the director to issue an order if an adverse effect may imminently occur. The department is implementing the recommendations of the Contaminated Sites Stakeholder Advisory Committee in this amendment. The department will continue to develop policy to clarify the definition of adverse effect so that industry and the public clearly understand that contaminated sites, irrespective of when they were created, must be remediated.

I'd like to move on to the comments made by the hon. Member for Edmonton-Ellerslie. The hon. member shared concerns on emission limits for the electrical sector and the fact that they're based on intensity rate. We understand the nature of the concerns associated with intensity targets for greenhouse gas emissions, but the approach for the electricity project framework for NO<sub>2</sub> and SO<sub>2</sub> – this trading system directly connects emission limits to current and planned generation. As such, they reflect a consensus approach for absolute reductions identified through the multistakeholder CASA process, which involved industry and environmental organizations. Again, based on current expectations these limits will result in a 30 per cent to 50 per cent absolute reduction in NO<sub>2</sub> and SO<sub>2</sub> by 2025, which is much below the 2003 levels. Again, this was supported by the stakeholders. There's further support by a five-year multistakeholder review to ensure limits are appropriate and on track to achieve the desired reductions.

I believe I've addressed the hon. member's question on who has liability for municipalities. I've also addressed the member's concerns in reporting historical contamination, and I've addressed the hon. member's concerns regarding consistent decisions from our inspectors for remediation certificates.

I'd like to move on to the comments made by the hon. Member for Edmonton-Meadowlark. Comments from the hon. member regarding contaminated sites have been addressed in the answer to the hon. Member for Calgary-Mountain View. The hon. member's comments regarding polluter pays are certainly appropriate as these amendments do not change the duty or responsibility of the polluter to remediate the contaminated sites on any sites, even older sites. To quote our minister, perfect protection of Alberta's environment remains a cornerstone of Alberta Environment.

On the comments and concerns of the Member for Calgary-

Varsity about the impaired ability of industry to provide protection because of insufficient funds, I believe those have been answered in my answers to the Member for Edmonton-Beverly-Clareview. [interjections]

**The Chair:** The hon. Member for Cypress-Medicine Hat has the floor.

**Mr. Mitzel:** The hon. Member for Edmonton-Calder had some specific questions regarding the public's access to information. I'd like to clarify that the minister is very much in favour of getting information into the hands of Albertans so that they can make well-informed decisions about how their lives, their work, and their communities affect the environment. The current act requires the minister to issue an order to describe the type of information to release and then amend the regulation to describe how the information can be released.

3:20

Thank you, Mr. Chairman, for the opportunity to respond to questions. I trust my responses have helped to reinforce the enabling amendments for the Environmental Protection and Enhancement Act that have been brought forward in Bill 29. I look forward to your support.

**The Chair:** The hon. Member for Calgary-Mountain View.

**Dr. Swann:** Well, thank you, Mr. Chairman. I'm pleased to rise and make comments on Bill 29, the Environmental Protection and Enhancement Amendment Act, 2006. I had the privilege of meeting with the hon. member earlier and talking about some of the concerns that underpin our commitment in Alberta to strengthen legislation, not weaken it. The concerns that I have are that, in a few cases only, this bill is actually weakening our protection of the environment and our holding accountable of industry for contaminated sites.

As the hon. member indicated, the contaminated sites advisory group had significant input into the recommendations but had very little input into the final drafting of this bill. One has to wonder if the oil and gas industry didn't have a lot more influence on the drafting of these recommendations because this alleviates some of the accountability of the oil and gas industry in some of its contaminated sites. It should be of concern to all hon. members. We do not want to let industry off the hook in terms of older, long-standing contaminated sites and who ends up paying for it if it ever gets cleaned up or simply postponed from year to year and decade to decade, as has been the case.

With that in mind, I wanted to make three amendments that would, I think, help to strengthen this bill. I would like to circulate the first. I'll read it out after it's been circulated, Mr. Chairman. It relates to section 14.

**The Chair:** Do you want to perhaps read it out, hon. member, and then we'll know which one?

**Dr. Swann:** Yes: (a), in clause (c) in the proposed section 117(3) by striking out "or inspector" after "acceptable to the Director"; (b), in clause (e) in the proposed section 117(4) again by striking out "or inspector" after "conditions the Director"; and (c), in clause (f) in the proposed section 117(5)(a) by striking out "or inspector" after "the Director". The purpose of this amendment, Mr. Chairman, as discussed earlier with the hon. Member for Cypress-Medicine Hat, is to ensure that the standard is maintained and the guidelines are

fundamentally set by the director and that these guidelines cannot be modified by an inspector. They have to be at least met by minimum standards set by the director, and then if the inspector has further standards to require remediation and reclamation, those indeed could be additional to but must be additional to the minimum standards set by the director.

**The Chair:** We'll refer to this amendment as amendment A1.

**Dr. Swann:** Thank you.

**The Chair:** As soon as it's distributed, we'll proceed.  
Okay, hon. member, you may proceed.

**Dr. Swann:** Well, Mr. Chairman, I welcome comment, and particularly from the hon. Member for Cypress-Medicine Hat. The purpose of this, again, is to ensure that it's the director that sets the terms of the reclamation rather than the director or an inspector, giving far too much leeway, it seems to me, to inspectors, who may have variable training, variable experience, and variable pressures upon them. It's clear to me that the pressures could be significant in the field, companies who stand to lose a significant amount of money. In doing the job up to standard, they are required to bring land back to equivalent use, and there are many different ways in which that equivalent land use might be interpreted in the field.

It's very clear to those of us on the environmental protection side that we need to have a very clear, strong, minimum set of guidelines established by the director and that we cannot have any individual judgment at the local inspector level about what those standards should be.

**The Chair:** Anyone else wish to speak on the amendment? The hon. Member for Edmonton-Calder.

**Mr. Eggen:** Thanks, Mr. Chairman. I'm speaking in favour of this amendment. It's actually very similar to something that I was considering as well. It just gives us a great deal more clarity and ability to pick a person in a position of responsibility. I believe that we want to ensure that the minister is in fact having the best advice forwarded to his office, and I believe that this amendment would help to do so. That's all.

Thanks.

**The Chair:** Are you ready for the question on amendment A1 as proposed by the hon. Member for Calgary-Mountain View?

**Hon. Members:** Question.

[Motion on amendment A1 lost]

**The Chair:** The hon. Member for Calgary-Mountain View.

**Dr. Swann:** Thank you, Mr. Chairman. I rise on a second amendment to Bill 29, Environmental Protection and Enhancement Amendment Act, 2006. I'm recommending that it be amended by adding the following after section 4:

- 17.1 The Minister must maintain a register which is publicly accessible in which is recorded every
- (a) delegation of a power or duty under section 17(1),
  - (b) transfer of the administration of a provision of this Act under section 18, and
  - (c) designation of a person as a Director under section 25(1).

**The Chair:** We will refer to this amendment as amendment A2. As soon as it's distributed, we can proceed.

If the hon. member would like to proceed, please do so.

**Dr. Swann:** Thank you, Mr. Chairman. This amendment is recommended in order to protect the government from accusations of political appointments. In fact, it's changing the former section, which would require the minister to appoint inspectors or directors that fall within the government purview and are already on staff. This new bill would allow the government to appoint someone outside government to do an inspection or to do a deliberation around reclamation and conditions for reclamation.

3:30

This may raise questions about political appointments as opposed to internal staff with merit around the required responsibilities to assess reclamation. From the point of view of public trust, if this is going to go ahead, a protective mechanism for government would simply be to include that this be made public as opposed to an internal decision, that can be seen to be politically motivated or biased. The amendment attempts to create a stronger sense of public trust and openness about these appointments and that they are truly in the interests of the environment and reclamation and protection as opposed to other interests that might be interpreted.

Thank you, Mr. Chairman.

**The Chair:** The hon. Member for Edmonton-Gold Bar.

**Mr. MacDonald:** Thank you very much. I am anxious to leap to my feet to encourage all hon. members of this Assembly to support amendment A2 to Bill 29 at this time. Certainly, I would like to thank the hon. member for introducing this amendment.

When we have a look at this, Mr. Chairman, we see that

- 17.1 The Minister must maintain a register which is publicly accessible in which is recorded every
- (a) delegation of a power or duty under section 17(1),
  - (b) transfer of the administration of a provision of this Act under section 18, and
  - (c) designation of a person as a Director under section 25(1).

I'm certain, after having a look at this, that the hon. Member for Calgary-Mountain View must have looked at some of the audits and the recommendations from last year's Auditor General's report, had a look at Bill 29, and decided that this legislation certainly needed an improvement to it to reflect, again, some of the audits and recommendations from the AG's last annual report.

Now, if we have a look at the existing section 17, Mr. Chairman, and that is an amendment to section 146 of the EPEA, we're talking about reclamation here. There is a concern about the potential scope of progressive reclamation. This reclamation may be applicable in certain long-term, large-scale situations such as large oil sands operations. This application, as I understand it, may not be nearly as suitable for upstream oil and gas operations and other conventional operations.

There are questions always, Mr. Chairman, and amendment A2, I think, would certainly go in the right direction about answering these questions. The questions are surrounding the environmental liability that is going to be left behind for future generations in Fort McMurray at the sites of the tar sands, or synthetic crude production facilities, whichever name the House prefers. We have to ensure that there isn't a significant environmental liability left for future generations. This amendment, I think, is an attempt to ensure that we know what's going on there.

Let's have a look at the Auditor General's report. What the

Auditor General talks about here, on page 177, is: “financial security for land disturbances. The Ministry has made unsatisfactory progress determining whether it has sufficient security to ensure reclamation of oil sands and coal mines.” This is the Department of Environment, and that’s why I think all hon. members should thank the Member for Calgary-Mountain View.

If we go a little further, to page 180 of the Auditor General’s report, whether it’s on the contaminated sites information system, the fact that satisfactory progress has been made, or we’re comparing this to recommendation 31, which indicates that “the Ministry of Environment implement a system for obtaining sufficient financial security to ensure parties complete the conservation and reclamation activity that the Ministry regulates,” well, that’s where this registry would certainly come into play.

Now, let’s have a look at some of the background information that has been provided. Two years earlier, in the Auditor General’s 2002-2003 annual report, recommendation 12, page 103, recommended that “the Ministry of Environment implement an integrated information system to track contaminated sites in Alberta.” Hopefully, the hon. Member for Calgary-Mountain View will have an opportunity to satisfy this House that the register, which is going to be accessible to the public, will meet that. Certainly, we know that the ministry, according to this audit and recommendation from the Auditor General, “has a variety of business needs for contaminated site information [and] without a complete, accurate, integrated information system, the Ministry can only summarize or report the status of contaminated site files with considerable manual effort,” and that “the system . . . should identify the location and characteristics” at each contaminated site, including any “monitoring, recovery, or other actions.”

Now, when we look at the financial security for land disturbances, I think we need to have a look at the background here, Mr. Chairman, and see how this works with amendment A2 and what the Member for Calgary-Mountain View is trying to accomplish with this amendment. What is to be recorded, and what is to be made available to the public in this register? Will the financial security to cover the cost of a reclamation and who the operator is be in this register? If the operator is unable to complete a reclamation activity, will that information be available publicly? Will there be any money left over?

When we talk, Mr. Chairman, about the oil sands, there are many people that argue that perhaps there should be a bit of a royalty set aside for cleanup. I don’t agree with that. I think that that should come from another source. That should be part of the cost of operation, setting aside sufficient funds. Now, how will this amendment satisfy that? I don’t know, and perhaps the Member for Calgary-Mountain View can help me with that. But when a site is reclaimed, or if the operator fails to meet his obligations, as is noted in the Auditor General’s report, the registry is there. The registry will work for that, I’m certain. I see the hon. member nodding in agreement, and I’m pleased with that.

Now, we can go back a little further, and I’m surprised at what an ongoing issue this is. Certainly, there are hon. members on the other side of the House that don’t want to talk about this Progressive Conservative government’s activities going back 20 and 25 years. I’m just talking here about 1998-1999.

3:40

In the Auditor General’s 1998-1999 annual report on Environment it was first identified that security may be inadequate and the process for obtaining it applied inconsistently. Now, even back then the Auditor General is encouraging the department to consider a measure similar to what is being discussed here with amendment A2

to Bill 29. That is the whole idea of a register and what information would be provided.

Now, if we look at the 2000-2001 annual report, the Auditor General again recommended that the ministry deal with the risks of inadequate security. The Auditor General noted that there were some large land-disturbing industries, oil sands and coal mines, that were not providing security at full cost of reclamation and that there was no model in place to determine what a sufficient amount of security other than full cost might be.

It’s fine for the Auditor General to repeat this concern going back eight years. I don’t know if or when the Auditor General’s report was considered not only in the drafting of Bill 29 but, specifically, what information the Member for Calgary-Mountain View had at his disposal, but there must be evidence that this proposal will be beneficial. Sufficient information has to be provided. The nature and the extent of the activity has to be in the register, the difficulty of the reclamation or their conservation project, and also the standards. The hon. member discussed this earlier about the reclamation standards. When we look at landfills and hazardous waste and recyclable operators, this could also apply to some of their needs.

Now, in conclusion, Mr. Chairman, I would urge all hon. members to consider amendment A2. This isn’t a matter of tinkering with the bill. This is a genuine, sincere effort to improve it. I think that in light of the Auditor General’s observations and recommendations going back to 1998, we should consider this and consider it for the reasons that I have hopefully explained very reasonably to all hon. members.

With that, Mr. Chairman, I will cede the floor to an hon. colleague in regard to amendment A2. Thank you.

**The Chair:** The hon. Minister of Justice and Attorney General.

**Mr. Stevens:** Mr. Chairman, I move that we adjourn debate with respect to this matter.

[Motion to adjourn debate carried]

**The Chair:** The hon. Deputy Government House Leader.

**Mr. Stevens:** Yes. Mr. Chairman, I move that the committee report bills 33, 34, and 26 and progress with respect to bills 29 and 31.

[Motion carried]

[The Deputy Speaker in the chair]

**Mr. Johnson:** Mr. Speaker, the Committee of the Whole has had under consideration certain bills. The committee reports the following bills: Bill 26, Bill 33, and Bill 34. The committee reports progress on the following bills: Bill 31 and Bill 29. I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

**The Deputy Speaker:** Does the Assembly concur in the report?

**Hon. Members:** Concur.

**The Deputy Speaker:** Opposed? So ordered.

**Speaker’s Ruling**  
**Cameras in the Chamber**

**The Deputy Speaker:** Hon. members, before I call on the Deputy

Government House Leader, it has been brought to my attention this evening that there has been the use of cameras in this Assembly. I'd like to bring to everyone's attention that this is clearly an infraction of what's acceptable conduct in this Assembly. I have no way of knowing for sure, but I want to make sure that everyone's memory is refreshed on this matter, and I trust that it won't take place anymore.

The hon. Deputy Government House Leader.

**Mr. Stevens:** Well, thank you very much, Mr. Speaker. It's always good to have our memories refreshed on the rules of the House.

I think that we've put in a full day today, and I would move that we adjourn until 1:30 officially tomorrow in legislative time or, for those who use the regular calendar, 1:30 this afternoon.

[Motion carried; at 3:49 a.m. on Thursday the Assembly adjourned to 1:30 p.m.]

