

Legislative Assembly of Alberta

Title: **Monday, May 8, 1995**

1:30 p.m.

Date: 95/05/08

[The Speaker in the Chair]

head: **Prayers**

THE SPEAKER: On this day, as we remember VE Day, let us bow our heads in silence as we remember all who died in the Second World War.

We give thanks to God for all those who died in defence of freedom and peace.

Amen.

Please be seated.

Hon. members, I wish to advise the House that in conjunction with many other jurisdictions across Canada today, our carillon will play middle C at 2 o'clock this afternoon in recognition of VE Day.

head: **Presenting Petitions**

THE SPEAKER: The hon. Opposition House Leader.

MR. BRUSEKER: Thank you, Mr. Speaker. It is my pleasure to introduce a petition signed by 776 Calgarians. These Calgarians have all signed a petition expressing concern about three issues: the right of Catholics to collect and determine how taxes will be spent, concern about taxpayers in mixed faith marriages supporting the school system which their children attend, and concern about open boundaries that do not "require children attending Separate Schools to adhere to the philosophical and pedagogical practices of Separate Schools."

Mr. Speaker, in addition to previous petitions this brings the total number of signatories to this petition to almost 3,300, which represents 10 percent of the children currently attending the Calgary Catholic school system.

THE SPEAKER: The hon. Member for Bonnyville.

MR. VASSEUR: Thank you, Mr. Speaker. I beg leave to present a couple of petitions this afternoon. The first one is from some 308 residents from the Bonnyville-Cold Lake area urging the government of Alberta "to ensure that all school boards provide transportation for each eligible child in rural Alberta without the use of transportation fees."

I have a second petition from 44 residents of the Bonnyville-Cold Lake area again urging the government of Alberta "to not sell the rights of water to any company, country or monopoly without first conducting a referendum for the people" of Alberta.

THE SPEAKER: The hon. Member for Lethbridge-West.

MR. DUNFORD: Thank you, Mr. Speaker. I beg leave to present a petition signed by 108 members of Parkbridge Estates in Lethbridge opposing the proposed amendment to the Municipal Government Act allowing landlords to collect property taxes as this takes away their right to appeal and their right to designate which school system they wish to support.

head: **Tabling Returns and Reports**

THE SPEAKER: The hon. Opposition House Leader.

MR. BRUSEKER: Thank you, Mr. Speaker. I'd like to table four copies each of seven letters addressed to the Minister of Education expressing concern about those same three issues for which I just tabled a petition. While they are indeed form letters, each one of these parents has taken the time to write a personal note as well to the Minister of Education.

MR. JONSON: Mr. Speaker, it is my pleasure to table two items this afternoon. The first item is a page from the *Calgary Herald* this Saturday past. The *Herald* dedicated page B4 to a series of stories on four excellence in teaching award recipients. I would like to thank them for their positive efforts in relation to these articles and in relationship to their and other corporate sponsors' help with this very important event.

As well, Mr. Speaker, it is also my pleasure to table today four copies of the 1993-94 school year diploma examinations program annual report. Additional copies may be obtained through my office.

MRS. McCLELLAN: Mr. Speaker, I'm pleased to table two documents today: the annual report for Alberta Health and the statistical supplement of the Alberta health care insurance plan for the fiscal year 1993-1994. Copies will be provided to all members.

head: **Introduction of Guests**

THE SPEAKER: The hon. Member for Spruce Grove-Sturgeon-St. Albert.

MRS. SOETAERT: Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to members of the Assembly two grade 6 classes from Ronald Harvey school in my riding. They're here with their teachers Mrs. Peggy Bergmann and Mr. Tony Sware and parent helpers Mrs. Sherritt and Mr. Mills. I would ask them to please rise and receive the warm welcome of the Assembly.

THE SPEAKER: The hon. Member for Edmonton-Gold Bar.

MRS. HEWES: Thank you, Mr. Speaker. I have two introductions this afternoon, sir. The first is a group of 67 visitors, students from Austin O'Brien school in beautiful Edmonton-Gold Bar. They're accompanied by teachers Colleen Stepney and Debbie Shinkaruk. They're seated in both the public and members' galleries, and I'd ask them to rise and be acknowledged by the Legislative Assembly.

The second introduction, Mr. Speaker, through you and to all members of the Assembly, is a distinguished Albertan, Betty Loree, who's in the members' gallery. Betty Loree is the manager of the Citizen Action Centre in the city of Edmonton and manages for the city of Edmonton all inquiries and all complaints. I'd ask her to rise and receive the warm welcome of the Assembly.

THE SPEAKER: The hon. Member for Calgary-Currie.

MRS. BURGNER: Thank you, Mr. Speaker. It gives me pleasure this afternoon to introduce a constituent of Calgary-Buffalo. This young woman is a recent graduate of the University of Toronto and as a student in Alberta was a Rutherford scholarship recipient, a senior debater in the bilingual program, the winner of a Churchill medal for debate, a Rotary scholar who attended a year overseas in Germany. While the hon. Member

for Calgary-Buffalo is her MLA, her mother is the MLA for Calgary-Currie. I'd ask my daughter Sam to stand and receive the warm reception of the House.

MR. MITCHELL: Mr. Speaker, it's my pleasure to introduce two visitors from Ontario. They are Gary and Mary Duhaime. They are from Sudbury, where they are active Liberals looking forward to the formation of yet another provincial Liberal government. I would ask that they stand in the gallery and receive the welcome of the Members of the Legislative Assembly.

THE SPEAKER: The hon. Member for Redwater.

MR. N. TAYLOR: Thank you, Mr. Speaker. It's also my pleasure to introduce to you and through you to the other members of the Legislature a STEP student who has come up here from Red Deer, Mr. David Brodie. He tells me that moving up from that right-wing atmosphere, he's really enjoying the middle of the road.

head:

Oral Question Period

Electric Utilities

MR. MITCHELL: Mr. Speaker, last fall the Minister of Energy told Albertans that the government was committed to dealing with the electricity issue in a fair-minded and consensus-building way. Last week of course the minister hung the municipalities out to dry, and even her handpicked choice, original choice at least, for chairman of the Alberta Energy and Utilities Board, the Member for Barrhead-Westlock, disagreed publicly with her policies. Now her private-sector consensus has broken down, and TransAlta Utilities is supporting Edmonton Power's right to compete. I submit four copies of TransAlta Utilities' news release outlining their position in support of Edmonton Power. It must be an embarrassment for the Minister of Energy. To the minister: how many more members of the steering committee must now publicly oppose this government's electricity policy before she changes it, or does Alberta Power really have that much clout in the cabinet rooms of this government?

1:40

MRS. BLACK: Mr. Speaker, clearly the process we have gone through for the last two years has involved stakeholder groups from across this province, where they've all had to come to the table and discuss the new structuring for electricity within the province of Alberta. They haven't all agreed with the process, because it's been difficult. Clearly when we started this process - I made no bones about it - there was a commitment by all of the players that they would park the scud missiles at the door, and that's exactly what they did, because they recognized the opportunity to move into this arena of a market-driven position.

Clearly, Mr. Speaker, in the discussions I had with Edmonton Power and with the city of Edmonton last week I said: "Come forward with a proposal that would show where a municipally owned utility company could compete on a level playing field with a private, investor-owned utility company. Bring it forward, and we will take it outside and have it independently tested." Today I met with my caucus. We brought forward to my caucus today a proposal that would offer that to all municipalities. Come forward with a proposal. We will take it out and have it independently assessed, and if it in fact is a level playing field, then they will be able to indeed compete on new generation. But the onus - and I have to stress this - is with the municipality. It has to be there, because that level playing field must be in place.

Nothing has changed, and to indicate that TransAlta Utilities feels anything different is absolutely incorrect. They are prepared to let that framework come forward and let it be tested and, in fact it meets the test, for competition to prevail.

MR. MITCHELL: Mr. Speaker, would the minister please confirm: does this mean that she's actually going to withdraw section 45 of Bill 34 right now rather than passing it, which would make all of this kind of redundant and would mean that the city wasn't anywhere further ahead than it was before, or is she simply trying to pull a fast one to ground some of the static for a while? Is she going to withdraw section 45? Is she going to amend it? What's she going to do?

MRS. BLACK: He asked about five questions. Quite clearly, Mr. Speaker, it is my intention . . .

MR. DECORE: Just answer one.

MRS. BLACK: If the hon. Member for Edmonton-Glegarry could stop for a moment, Mr. Speaker, I'd be delighted to answer the question.

It is the intention of our caucus to come forward not with the deletion of section 45 but rather with an amendment to it. With the amendment clearly the extension of the offer to Edmonton Power to come forward with the framework that would clearly outline how a municipally owned utility could in fact develop that level playing field will be entrenched in section 45.

MR. MITCHELL: I want to clarify this further. I want to get the minister on record, committed. Is the minister committed to allowing public electric utilities to compete openly and fairly, or is she just setting up a straw man process which they won't be able to meet, and then she'll jam her ideological view of public utilities down their throat in any event?

MRS. BLACK: Well, clearly, Mr. Speaker, for the members opposite the government's position has not changed one bit insofar as there has to be fairness and there has to be efficiency. Those have been the two guiding principles in the development of this framework right from the very beginning. Clearly, if in fact the municipalities can come forward with that framework that meets an independent assessment, not by this minister, because we have not been able to develop that, then they will be able to compete. Now, the onus is on the municipality. I might add for the members from Edmonton that the president of Edmonton Power is in fact supportive of this new amendment and has actually written me a letter saying so.

MRS. SOETAERT: Well, table it.

THE SPEAKER: Order, hon. Member for Spruce Grove-Sturgeon-St. Albert.

MR. MITCHELL: I think that the minister has just sounded the retreat, Mr. Speaker, and there's going to be a lot of people happy about that.

Privatization

MR. MITCHELL: On May 3, Mr. Speaker, the Minister of Energy said with regard to electric policy in this province:

The new future, though, is based on market-driven requirements, which must have a level playing field for competition to occur . . . You cannot have . . . governments intrude into that marketplace. That is the objective of the brave new future.

We wonder how widespread in this caucus and in this cabinet that particular view of the future is. My first question is to the Acting Premier. Is it the government's agenda for the brave new future to include the replacement of public hospitals with private hospitals motivated to make profits off the sick, all in the name of the marketplace?

MR. DINNING: Mr. Speaker, it is not the government's intention to do that, and the Minister of Health may want to supplement my answer. Clearly that is not the government's policy. The Liberal Leader of the Opposition apparently in promoting his newfound interest in health care and actually putting some ideas on the table basically said this morning that he agreed with the government's approach, agreed with the government's reduction in spending, that we had to make these important changes, and where he quarreled with us, of course, was on the methods. That's exactly the kind of debate that ought to occur in this Assembly. We're glad to know that the Leader of the Opposition is on track with us in agreeing that health care expenditures must be contained and must be constrained and in fact have to be cut in order to sustain and protect the future of quality health care in this province.

MR. MITCHELL: I see that the *Edmonton Sun* is directly reporting to the Acting Premier, and they haven't reported it properly, Mr. Speaker. It's not the first time.

Is it the government's agenda that the brave new future include the replacement of public education with a private education system where the objective is education by the biggest pocket-book?

MR. DINNING: Mr. Speaker, the Minister of Education may want to supplement my answer, but clearly the objective of this government, of this cabinet, of this Minister of Education and the Department of Education is to provide the best possible education to all Albertans, not just some, not just those in Edmonton or just those in Calgary, but to make sure that all students in this province have an equal opportunity and that they achieve and receive the best possible education.

MR. MITCHELL: Mr. Speaker, is it the government's agenda that the brave new future include the replacement of community-based credit unions and Treasury Branches with systems of banks that cater to Bay Street, Toronto, and not to Main Street, Alberta? How far does the Minister of Energy's view of privatization go?

MR. DINNING: Mr. Speaker, perhaps the man who's running for mayor of Edmonton could do a better job than the Liberal leader in asking questions. I know he wants to.

Mr. Speaker, what the hon. member is trying to get at is beyond this member. I would simply say that our objective is to make sure that government delivers good quality services. We don't pretend or want to be all things to all people. Clearly there are people in the community across this province, businesses or volunteers, who are capable of providing quality services. Where the government can do the business it should do, it will do that and deliver the best possible, best quality services. We have faith in Albertans. We don't believe that government is the answer to all Albertans' problems. Albertans are capable of coming up with

those solutions. We have faith in Albertans. The Liberals do not. The government does.

1:50

Organ Transplants

MR. SAPERS: Baby Nathan needs a heart transplant, and his mother believes that his chances would be much better if he had that transplant in California. Now, in order to have the out-of-province committee even consider her request, unbelievably, Mr. Speaker, the mother had to go to court. The judge has now placed a deadline on the committee and on the Minister of Health to ensure that a decision and a timely one is made. Will the Minister of Health meet this deadline imposed by Justice Lewis and give the family an answer prior to Thursday afternoon?

MRS. McCLELLAN: Mr. Speaker, there were quite a few errors in the preamble, but I'm not going to dignify a couple of them with an answer.

I will answer the question, however. Certainly, it is the minister's intention to keep with the court's timetable.

MR. SAPERS: The minister talks about dignity when a parent . . .

THE SPEAKER: Order. Supplemental question.

MR. SAPERS: Why has the Minister of Health allowed our health care system to be cut to the point where individuals have to go to the court to get the health care they need?

MRS. McCLELLAN: Mr. Speaker, the hon. member opposite knows full well that there is a heart transplant program in this province that has probably the highest success rate in Canada, and indeed certainly it would compare worldwide. I wouldn't want anything that he is saying to in any way put a notion in people's minds that that is not the case.

Mr. Speaker, there is a process in this province for the transplant program. We depend on the professionals in the health industry, the physicians, first of all, to refer a patient to a specialist. A specialist may refer to a transplant team. That team may make a decision that a person is better served outside of Alberta, and in that case they make that recommendation to an out-of-country team, which is comprised of health professionals. That team reviews clinical evidence, all of the information that pertains to the case, and makes a recommendation to the minister, and the minister acts on the recommendation. That is the process.

MR. SAPERS: The Minister of Health hasn't realized . . .

THE SPEAKER: Final supplemental.

MR. SAPERS: Will this Minister of Health put in place a health ombudsman, a real person to deal with the real needs, the real problems that real Albertans are facing now instead of them forcing them to go to the courts?

MRS. McCLELLAN: I find it interesting that the opposition, who have decried the U.S. health system, are championing it in this one instance. I find that very interesting, Mr. Speaker.

We are, Mr. Speaker, putting in place in this province a provincial health council, which will be at arm's length from the government. This group will be auditing our health system, all aspects of the health system, and they will have the opportunity

and the responsibility to bring recommendations for changes to the minister and to this government.

THE SPEAKER: The hon. Member for Lac La Biche-St. Paul.

St. Paul Lawsuit

MR. LANGEVIN: Thank you, Mr. Speaker. After being charged by Alberta Environment and suffering a seven-year court battle at a cost in excess of a million dollars to the taxpayers, the town of St. Paul was cleared of any wrongdoing by the courts. In fact, the judge went on record as saying that the department of the environment should not have charged the municipal council. Instead, they should have focused their attention on consultation and co-operation with the town staff with the goal of enhancing the water quality for the citizens of St. Paul. My question is to the minister responsible for Environmental Protection. Would you be prepared to agree with the courts that the laying of the charges against the town of St. Paul was an error?

MR. LUND: Mr. Speaker, the town of St. Paul has laid a statement of claim, and for that reason I will not be able to enter into the discussion on the case. Certainly under the circumstances whether I agree or don't agree is of no consequence.

MR. LANGEVIN: Mr. Speaker, again to the same minister: are you prepared to negotiate an out-of-court settlement with the town of St. Paul to cover the million dollar court case?

MR. LUND: Well, Mr. Speaker, certainly I'm prepared to meet with any municipality in the province that feels that they have some kind of difficulty with the Department of Environmental Protection. So the answer is: yes, I would meet with the town of St. Paul.

THE SPEAKER: The hon. Member for Calgary-North West.

Forest Regions Restructuring

MR. BRUSEKER: Thank you, Mr. Speaker. Recently the Minister of Environmental Protection announced that the Bow-Crow forest office in Calgary, located in my constituency, would close and be amalgamated in the constituency of Rocky Mountain House, coincidentally in the minister's constituency. I'd like to table four copies of a document prepared by the Department of Environmental Protection that states:

Calgary was the final selection largely based on its linkages with other Services, departments and nearness to the major oil and gas clients. It was also recognized that the larger urban centre would offer staff a greater variety of services, choice of schools/training, and more career development opportunities.

My question is to the Minister of Environmental Protection. Why did the minister interfere politically when the report in the selection process recommended Calgary rather than Rocky Mountain House? Was it just to benefit his own constituency?

MR. LUND: Mr. Speaker, the document that the hon. member filed is an old one. It was done a number of years ago, and it's one that was talking about having a centre where all of the regional directors were to be located. The decision has been made that in fact that is not the way we need to operate in the future. We need to operate where the decision-making is closer to the work. We are reducing the number of regional directors in the forest service to four. There are going to be amalgamations.

The thing that the opposition is missing in all of this discussion is the moving of the decision-making, not the moving of people.

THE SPEAKER: Supplemental question.

MR. BRUSEKER: Thank you, Mr. Speaker. Then my supplemental question: what becomes of the, as it was quoted, "linkages with other Services, departments and nearness to the major oil and gas clients" as well as the 81 Calgary public schools, the 43 recreation groups, the hundreds of wood permits, seedling permits, and Christmas tree permits, all of which are serviced in that office, all of which the more than 120 letters – and I'll table four of those – are requesting them to keep here? What becomes of those services?

MR. LUND: Well, Mr. Speaker, it's true that the former headquarters will be closed. There will be an office located in Cochrane that currently doesn't exist. The fact is that the Elbow ranger station is very close to the city of Calgary. They will have the ability to get permits and that sort of thing either at Cochrane or at Elbow.

Mr. Speaker, the other thing that these people across the way are missing is the fact that we are going to broaden the ability of people to get things like permits in other than just forest offices. They will be available in Environmental Protection offices, which may be a parks office. So those kinds of services are going to be more readily available. We're going to have better service to the public and better decision-making because it's going to be at the local level, closest to the work.

MR. BRUSEKER: My final supplemental then, I guess, Mr. Speaker, would be to the Acting Premier. With the closure of the Calgary office and the Edson regional office, represented currently by Liberal constituencies, and moving them to Conservative constituencies, is it now the policy of government to use politics rather than common sense to determine where government services are going to be delivered?

MR. DINNING: The Minister of Environmental Protection answered the question. He said that the people were being moved to an area where the work was being done and the decisions should be made. Now, Mr. Speaker, you know, for the hon. member to suggest otherwise is simply ridiculous. Clearly what the Minister of Environmental Protection is trying to do is reduce the administrative size of his department so that the money that's available is going to go to provide services, not to pay for high-cost administration.

2:00

MR. LUND: Once again, for the benefit of the members across the way, the work that is currently being done, a lot of the decisions that are currently being made in a lot of the regional offices like the Calgary Bow-Crow headquarters are still going to be made in the local area. That's what we are doing: we're moving decision-making from that one layer down to the people at the local level.

As far as the moving of a headquarters from Edson, Mr. Speaker, as I told the hon. Member for West Yellowhead once in this House already, there will be a move to the regional coordinator of corporate services in the town of Edson. So in fact they may very well have as many or more people than they currently have in Environmental Protection in the town of Edson.

THE SPEAKER: The hon. Member for Vegreville-Viking.

Farm Income Program

MR. STELMACH: Thank you, Mr. Speaker. Over the past two years I have received many calls and letters from farmers wanting an end to the GRIP program. Earlier this year the government and the minister responded to these concerns and gave Alberta producers an option to exit voluntarily from the GRIP program without the required notice. Can the Minister of Agriculture, Food and Rural Development advise this Assembly as to the results of this offer?

THE SPEAKER: The hon. Minister of Agriculture, Food and Rural Development.

MR. PASZKOWSKI: Thank you, Mr. Speaker. Yes, I can. The deadline was April 30 for those who wanted to exit the program. Back a year ago about this time we had a session with the grassroots agricultural community. One of the things that the agricultural community had asked us and indicated very strongly was that the GRIP program go. It had served the purpose of the day, was no longer a useful program as far as agriculture was concerned. They asked us to appeal to our tripartite, third-party member, which is the federal government, to see that this program would come to an early conclusion. We did this. Then we went back to the agricultural producers themselves, asked them what their feeling was. As of April 30 the vast majority had asked that they be allowed to exit the program without the two-year notice that is normally required.

THE SPEAKER: Supplemental question.

MR. STELMACH: Thank you, Mr. Speaker. Has there been any variation in the responses from different areas in the province?

MR. PASZKOWSKI: Mr. Speaker, out of a total of almost 20,000 applications that have been reviewed to date, all but approximately a thousand have asked that they be allowed to exit the program. The area that wanted to stay in the program the most was the Red Deer area, followed by Vermilion. The two areas that wanted to exit the program the most were the far south, the Lethbridge area, and the far north, the Peace River country.

THE SPEAKER: Final supplemental.

MR. STELMACH: Thank you. Has any decision been reached on whether or not the GRIP program will be continued for the current crop year?

MR. PASZKOWSKI: As I'd mentioned before – and it's certainly a good question and one that's very current – this is a tripartite program. Two of the parties have now indicated that they are interested in an early exit from the program. However, the third party, the federal government, will now be receiving the records that we have accumulated. We'll be forwarding them to the federal government, who is the host agency, and asking them for direction. We would hope that this direction will come forward very quickly so that the farmers will know exactly where they stand this year.

As for continuing the program, there is something like 5 percent that have indicated they want to stay in the program for

this year. Whether it's going to be worth while continuing for another year or not remains to be seen.

THE SPEAKER: The hon. Member for Redwater.

Logging on Private Land

MR. N. TAYLOR: Thank you, Mr. Speaker. To the Acting Premier again, with the environmental responsibilities. Just a little over two months ago now the Premier on March 1 announced that after a year of large-scale, uncontrolled logging on private land, he was appointing a committee. At that time I called them Hear No Evil, Speak No Evil, and See No Evil. Now I think it's just three blind mice. This is over two months now, and we haven't even had a squeak from those three blind mice. Because this is National Forest Week, I was just wondering whether the Treasurer can screw up his well-known capacity to stare into the crystal ball and tell us just what those three are doing down at the end of the bench.

MR. LUND: Well, Mr. Speaker, all I've ever heard from the other side is that we should either take away property rights or close the border. Those are the only two alternatives that I've heard come from the other side. In fact, we are designing a new permit process. I have gone out to meet with the minister in B.C., have had discussions with him on things that we might be able to do jointly, and we are continuing to look at ways that we can satisfy this problem that we have today of too much fibre going to B.C. The hon. members across the way evidently want to take away the right of landowners to grow trees and harvest those trees and sell them to the highest bidder.

MR. N. TAYLOR: Mr. Speaker, environmental laws are not tied to ownership. It shouldn't matter whether it's the Queen of England or the government.

Possibly I could suggest to the Deputy Premier that one of those trucks should take our forestry minister along with them. Could the Deputy Premier answer the question? Obviously he's incapable of it. What deadline was given these three characters to come up with a report?

MR. LUND: Mr. Speaker, I have said I don't know how many times in this House that there are six Acts that in fact we are applying to logging on private land. We have done numerous inspections. We have found less than 1 percent that require any kind of follow-up, and the one that the hon. member continually refers to, Gold Creek, which was harvested back in 1991, we've had our biologist out there to inspect the site on numerous occasions. I have spoken to the biologist personally to make sure that there is that follow-up, and he has assured me that there is no damage to the streams and that in fact if we laid any charges, we don't have the grounds to follow them through.

MR. N. TAYLOR: I've asked twice about the report, and I get a long tirade about fishing in the Crowsnest Pass.

Mr. Speaker, to the Deputy Premier, if we get rid of all this bull fibre that's flying around here. Could he just tell us: why do not the same laws apply to private landowners when it comes to logging as apply to government-owned land? Why not the same rules?

MR. LUND: Mr. Speaker, maybe the hon. member needs a little history lesson. The fact is that this province was divided into an

area called the green area and an area called the white area. The purpose of the green area is for the production of fibre, for the growing of trees and all of the things that relate to that. The white area is for agricultural pursuits. Now, if the hon. member believes that the growing of trees is not an agricultural pursuit, then I wish he'd come out and say that. I happen to believe that it is an agricultural pursuit, and under the Planning Act the ability to grow trees, an agricultural pursuit, on land that's designated as agriculture – that's exactly what it is.

As far as environmental laws are concerned, they're the same whether it's on private land or Crown land. What he's referring to is the quota practice of harvesting, and in fact the companies in Alberta have agreed that they will not purchase timber from private land that has not been harvested under that quota practice, that quota of harvesting. That was one of the issues that we discussed with the B.C. minister: ask him to get their companies to make sure that they don't buy timber that has not been harvested under our standards, Mr. Speaker.

THE SPEAKER: The hon. Member for Bow Valley.

2:10 Adult Education

DR. OBERG: Thank you, Mr. Speaker. The federal government has once again refused to do the necessary downsizing in the bureaucracy and instead has chosen to cut program funding. The adult development program, cofunded by the federal and provincial governments, has as its mandate adult basic education, retraining, and basic employability skills, yet the feds have withdrawn their support unilaterally. To the minister of advanced education: what impact will this have on access to adult education around the province?

MR. ADY: Mr. Speaker, federal funds used to purchase programs under the adult development program have in fact been discontinued. They've been eliminated, some \$2.1 million in fact. Of the 147 programs funded under the adult development program in 1994-95 41 were purchased by the federal government. Because most federal programs are actually offered with a blending of provincial programs, federally sponsored students and provincially sponsored students, we'll be able to redistribute funds and reduce the impact of the lost programs to about 33. So from 41 down to 33.

From the department's enrollment records the result is that about 230 federally sponsored students could be affected by the federal decision. Our department will work with the Students Finance Board and the public postsecondary institutions to minimize the number of students who would otherwise be denied access to necessary training programs as a result of this dramatic federal cutback.

THE SPEAKER: Supplemental question.

DR. OBERG: Thank you, Mr. Speaker. What will this do to the base funding of the Brooks campus of Medicine Hat College as roughly one-half of the credit programming is entirely funded by ADP?

MR. ADY: Mr. Speaker, our department will guarantee the availability of all provincial priority programs funded within last year's ADP budget allocation guidelines to the institutions. In the case of the Brooks campus it offered no federally purchased

programs. Consequently, the Brooks campus can continue to offer all the programs funded under its ADP budget guideline last year.

DR. OBERG: Thank you very much for that. Mr. Speaker, will the minister commit to correcting the federal government's shortsightedness and replace the federal funding with full provincial funding?

MR. ADY: Well, Mr. Speaker, the department officials will work with the postsecondary institutions to assess the impact of the federal budget cuts and work to find possible solutions for accommodating federal students in provincial programs. However, the major impact of the federal action could be felt by the Students Finance Board since students formerly sponsored by the Canada Human Resources Development department may now seek provincial student financial allowances. Because student support costs are generally twice that of the program delivery costs, we have to be cautious about making decisions too quickly in the area of being able to totally replace that.

Social Assistance

MS HANSON: Ironically, as Homeless Awareness Week begins, the Minister of Family and Social Services, ignoring all the warning signs, intends to close another 10,000 social assistance cases, which will boil down to about 23,000 people. Obviously the desperate pleas for relief from food banks and helping agencies such as the Salvation Army are of no concern to this government. My questions, Mr. Speaker, are to the minister. Mr. Minister, why this sudden urge to slash 10,000 cases when your own spring budget plan was to reduce caseloads by 5,800?

MR. CARDINAL: I just want to clarify one thing first of all. This is not a sudden urge, Mr. Speaker. This is part of our long-range plan of welfare reforms in Alberta. Specifically to the issue of 10,000, which is a question that was asked by the press in fact last week, I indicated that from reviewing the files, there are enough single people on our files to potentially reduce the welfare caseload by 10,000, and that is the plan. If the young, healthy people on our files, our cases are willing to get back to work and if we can provide that opportunity, we'll do that. That is our plan, to get these young, healthy Albertans back to work.

MS HANSON: Mr. Minister, how is it that one day you can boast that your cuts are 18 months ahead of schedule, which you did earlier, and today you're talking another 10,000 cuts? How can your projections be that much out of whack within just a few months?

MR. CARDINAL: Mr. Speaker, that's very simple. The plan works. That's why we're ahead of schedule two years. But our plan does not stop there. As long as we have single, healthy Albertans and couples without children on our files that want to get back into the workforce, we will get them off.

MS HANSON: If it's only singles you're after, why is it I keep getting phone calls from mothers with kids? [interjections]

THE SPEAKER: Order. [interjections] Order.

The Chair thought it heard a question from the hon. member. Was that another question?

MS HANSON: Mr. Minister, how can you call it success when all you do is shuffle people to make-work projects earning minimum wage? The only success you're making is to have them eligible for UI and to let the federal government pay for it.

MR. CARDINAL: Mr. Speaker, that's the Liberal way in Alberta. When I look at the Ontario platform, the new Liberal leader of Ontario is doing exactly what Albertans are doing. Do you know what she said? She said that that is what Liberals have to do in the '90s. It's too bad the Alberta Liberals are not in tune with what has to happen in the '90s.

Mr. Speaker, our plan has no limit as to how many people that are employable and trainable get back into the workforce. There is no limit. As long as people that are employable and trainable and want to get back into the workforce are on our files, we will assist them to do that.

THE SPEAKER: The hon. Member for Calgary-Cross.

Home Care

MRS. FRITZ: Thank you, Mr. Speaker. I have a constituent who is paying \$800 per month for antibiotic therapy on an outpatient basis, and the irony of that is that if he were in the hospital, this therapy would be of no direct cost to him. My question today is for the Minister of Health. Whose responsibility is it to make the decision as to whether or not outpatient intravenous therapy is paid for by the individual?

MRS. McCLELLAN: Mr. Speaker, the program that I believe the hon. member is talking about is the home IV program that was done by the health facility partnership program, and indeed this has developed where people can receive IV treatments in their home rather than having to be in a hospital. This is very positive.

However, Mr. Speaker, according to the Canada Health Act prescription drugs outside of hospital are not considered an insured service. We think this is a rather important part of our program and through our Blue Cross program support a drug program in this province. We also support cancer drugs, cystic fibrosis drugs, an HIV/AIDS program, antirejection drugs for transplant programs. This is the very reason we need to have the discussion with our federal and provincial colleagues regarding the Canada Health Act and ensure that the Canada Health Act is contemporary and is consistent with a community-based health program.

THE SPEAKER: Supplemental question.

2:20

MRS. FRITZ: Thank you, Mr. Speaker. Are there any factors that would stop the RHA from paying for antibiotics directly on an outpatient basis?

MRS. McCLELLAN: Mr. Speaker, we do have a prescription drug program in this province, and certainly I don't think it's conceivable that Alberta Health could indeed fund all drugs.

The issue of releasing a person from hospital to home with drug therapy: I have often pondered this question. If I'm told by a hospital that they can send a person home for drug treatment much cheaper than they can keep them in the hospital, I wonder why they don't send the drugs also. So, Mr. Speaker, our department is working on this whole area, and we're looking at areas that might be providing barriers to community-based programs. We expect to have some analysis done on this very

shortly, and we will be working with the regional health authorities to see if we can alleviate this.

THE SPEAKER: Final supplemental.

MRS. FRITZ: Thank you, Mr. Speaker. Wouldn't it be more cost-effective to have the RHA fund the IV antibiotics or other appropriate needs on an outpatient basis rather than have them occupy the needed hospital beds?

MRS. McCLELLAN: Well, certainly, Mr. Speaker, it would seem to me that it would be. We do fund the drug program in the hospital, so there really isn't, as far as I know, anything prohibiting this occurring. I think it's again an area where we have to work with regional health authorities, work with our federal and provincial colleagues to ensure that we aren't having artificial barriers to people having community-based health services.

THE SPEAKER: The hon. Member for Edmonton-Avonmore.

50th Anniversary of VE Day

MR. ZWOZDESKY: Thank you, Mr. Speaker. Today officially marks the 50-year anniversary of VE Day, and this past weekend thousands of Albertans attended celebrations commemorating this very historic event. In Edmonton we had many celebrations throughout the community, with official ceremonies being held just outside city hall yesterday. Hundreds of veterans and volunteers who served 50 years ago were there. Civic officials were there to bring greetings. MLAs from our Alberta Liberal caucus were also in attendance. So too were federal officials present to bring greetings from the government of Canada on this extremely important occasion. My question is to the Acting Premier of the province of Alberta. Why was there no designated person in attendance as an official representative of the Premier of Alberta and his government during the official platform ceremonies commemorating VE Day in Edmonton?

MRS. McCLELLAN: MLAs were attending events in honour of VE Day all across this province this past weekend, in their constituencies and in many parts of this province. Certainly I believe that many of our members spoke, as did the opposition, very eloquently last Friday about this memorable event, and certainly I would hope that we are not going to put this into some type of political context. Mr. Speaker, I don't believe it's appropriate. VE Day is an important day for Albertans, for the many Albertans who fought in World War II and in other wars. We're very proud of the people who keep the peace in our country and worldwide, and I think we should cast our attention to that.

MR. ZWOZDESKY: Mr. Speaker, this is certainly not playing politics. This is just asking a question as I was asked by many members of the armed services who were simply wondering where the official representative of the Premier or the government was. Please don't make this into a political issue. Please don't.

If this absence was inadvertent on behalf of the Premier or the government, simply say so, and we'll accept that. Can you confirm that, Acting Premier? Was this simply an inadvertent absence?

MRS. McCLELLAN: Mr. Speaker, I think I gave my answer in my first one. The hon. member from Edmonton in our caucus might have some further information on this. I can say that

members on this side of the House, as I am sure on the other side of the House, most appropriately spent time in VE Day celebrations across this province. I would really think that we should keep that in mind rather than raising the issue of why in one instance there was not and trying to put some reason for that other than commitments that were made in this province.

MR. DAY: Supplementary information available to me, Mr. Speaker, would suggest that the committee itself that was organizing the event actually declined the government suggestion and the government representation at that particular event. I would also suggest that taking an event as memorable and as important as this and trying to use it for political purposes is the worst display of political opportunism that I have ever seen in this House.

MR. ZWOZDESKY: Mr. Speaker, I take great offence at that attack. I'm a member of the Royal Canadian Legion, and I am really slighted by . . .

THE SPEAKER: Order, hon. member. It is not a question of what your feelings are. Do you have a supplemental question, a final one?

MR. ZWOZDESKY: Thank you for that explanation.

Will the Acting Premier undertake to examine this a little further and, if necessary, send an appropriate apology for this inadvertent absence?

MRS. McCLELLAN: Mr. Speaker, I believe that the question has been answered in its totality. I would suggest that if the hon. member wishes some information about an event that was held in the city of Edmonton, for which he is an MLA, he might want to contact the organizing committee for his information.

THE SPEAKER: The hon. Member for Red Deer-South.

Premier's Council in Support of Alberta Families

MR. DOERKSEN: Thank you, Mr. Speaker. In the most recent budget the Premier's Council in Support of Alberta Families had its funding canceled causing the council to cease operation as of July 1 of this year. This is the only council or commission that has been decommissioned so to speak, yet to date it has certainly been the least controversial and received many accolades, some worldwide. To the chairman of the Premier's council: what factors influenced the decision to disband the council?

MS LEIBOVICI: Money.

THE SPEAKER: The hon. Member for Bow Valley.

DR. OBERG: Thank you, Mr. Speaker. Contrary to the chirp that was just yelled, money was the least of our concerns when it came to disbanding the Premier's Council in Support of Alberta Families. In the summer of last year it became very apparent through the International Year of the Family that support for the family was growing and blossoming wide across the province. We saw roughly three and a half to four million participants in International Year of the Family activities.

The council sat down and unilaterally made the decision themselves to disband in 1995. This is probably one of the first times in government that a council or commission has actually

volunteered to stop what they were doing. The reason they did that was because they felt that our mandate was fulfilled. We felt that philosophically it was time for the government to put support for the families back into the family and not direct it from above.

Mr. Speaker, earlier today the Acting Premier stated: "we don't think that "government is the answer to all Albertans' problems." Well, at the Premier's council the discussion basically said: we know that the government is not the answer to all Albertans' problems. Therefore the decision was made by the members of the Premier's Council in Support of Alberta Families.

MR. DOERKSEN: To the chairman: how can people access the resources and numerous publications the council has put out over the past five years?

THE SPEAKER: The hon. member.

DR. OBERG: Thank you, Mr. Speaker. The council has put out some 15- or 20-odd publications in the last five or six years. Many of them are used worldwide, such as the Family Policy Grid, which has been incorporated in the Netherlands and Belgium. We are presently getting approximately 30 requests a month for information on the publications. I would like to put out to the people who are still looking for our publications that they still will be available through publication services. There will be a nominal charge to cover the distribution and possible reprinting, but the good news is that they still will be available.

Thank you.

2:30

MR. DOERKSEN: Mr. Speaker, will the family service awards continue to be handed out?

DR. OBERG: The family service awards are in a state of limbo at the moment. We have not fully decided who will take these on. We would like to see these service awards put down to either the municipal level or indeed the community level. We feel that they're very important to recognize the unsung heroes of the province in the family, which as we all know, Mr. Speaker, is the smallest democracy there is.

Thank you.

THE SPEAKER: Might there be consent in the Assembly to revert to Introduction of Guests?

HON. MEMBERS: Agreed.

THE SPEAKER: Opposed?

The hon. Member for Sherwood Park.

head: **Introduction of Guests**
(*reversion*)

MR. COLLINGWOOD: Thank you, Mr. Speaker. It's my pleasure this afternoon to introduce to you and through you to members of the Assembly 30 visitors from Pine Street school in the constituency of Sherwood Park. They are accompanied today by teacher Mr. David Harvey and parent helpers Mrs. Marlene Dewald, Mrs. Louise MacPherson, and Mrs. Kris Brown, along with bus driver Mr. Rick Lineker. They are in the public gallery, and I would ask them to rise and receive the warm welcome of the Assembly.

head: **Orders of the Day**

head: **Government Motions**
Summer Recess

22. Moved by Mr. Day:

Be it resolved that when the Assembly adjourns to recess the spring sittings of the Third Session of the 23rd Legislature, it shall stand adjourned until a time and date for the fall sittings of the Third Session of the 23rd Legislature as determined by the Speaker after consultation with the Lieutenant Governor in Council.

[Motion carried]

head: **Government Bills and Orders**
head: **Second Reading**

Bill 32
Municipal Government Amendment Act, 1995

[Adjourned debate May 2: Mr. Jacques]

THE SPEAKER: The hon. Member for Bonnyville.

MR. VASSEUR: Thank you, Mr. Speaker. Bill 32 has been in the making for a long time. It started last year with the revisions to the MGA. I rise this afternoon to support in principle many of the things that were incorporated in the Bill last year and subsequently with the amendments again this year.

We do have some reservations about what's in the amendments, and I want to take the opportunity to discuss a few of those concerns. I do acknowledge that the process of consultation was going on as late as the mid-80s as far as the amendments to the MGA. The Planning Act has been in discussion for probably as long, and we finally decided to bring some amendments forward.

In the direction that the government is taking in trying to create more autonomy at the local level with the smaller municipalities and the smaller towns, we have negated some of those advantages, I believe, by the guise in which this has been brought forward, in saying: well, it is now your responsibility, but we're going to take away a lot of the funding that went along with the process. We've seen over the last year, year and a half in the assistance to municipal government quite a serious impact on the funding.

It certainly didn't impact the larger communities, the larger municipalities like the cities of Edmonton and Calgary because they used to look after a lot of the funding themselves, but some of the smaller municipalities have lost the municipal assistance grant program, which includes such things as FCSS, the transportation and policing grants, the reductions in the interest stabilization program. The responsibility of administering the safety code became the sole responsibility of municipal government.

In that area we know that some of the communities, yes, will be able to afford to do that, especially if they're of the size that they can get into a joint agreement with the neighbouring communities, but we feel that the smaller municipalities, the villages and the small towns, are going to be at serious disadvantage. There are no real regulations that have come forward yet, but there are some recommendations that these communities should try to get along. That's not going far enough, because unless it's in the Act that the area has to plan together, I'm afraid that it's not going to happen.

They're at a serious disadvantage because they won't have the funding available to enter into a contract or into some kind of agreement with the neighbouring municipality. Even though they

can access the services of the provincial government through provincial planning, there is going to be a fee, an extensive fee, that goes along with that service. We believe that the impact on the small municipalities is going to be severe to the point where in the future the smaller municipalities may very well decide: "This is the time to go. We can't fly on our own. Who do we join, or do we abandon ship?"

If we go further as far as what's happened to all municipalities, we've got the assessment cost that used to be, in a small municipality specifically, funded by the province to a large extent. Now there's an additional cost, and they have to pay the whole amount.

Then we get to the cost of planning. Bill 32, the amendments to the MGA, mostly involves planning. I'm not totally sold on the fact that planning had to be incorporated under the MGA. We've seen a lot of legislation come through the Legislature which was a lot less of an issue than planning in Alberta where the thickness of the Bill was a lot smaller than this. I personally believe that the planning issue should have been left as its own identity so that it could be addressed instead of being part of the MGA.

The concerns from the municipal governments certainly haven't come forward yet. I hope that the regulations will address a lot of those concerns. This document, the amendments to the MGA, has recently been circulated across the province to the municipal governments, and from contacting a lot of the people at that level of government, very, very few people have even opened this piece of legislation. With all the changes that are happening, they just haven't had the time. If there is a request from the people out in the field, the municipal managers, the municipal councillors out there, it is: give us some time to peruse this document so that we can get back to the government on it.

As a matter of fact, at the present time the AUMA is holding some meetings, regional seminars around the province. One of the issues that is going to be discussed is this new legislation. I thought it would be part of the consultation process once the Bill was introduced to allow a chance for the people at the municipal level to come forward with their comments. Some of those meetings are scheduled as far away as next week even. If we're going to give a chance for these people to come back to the government with some of their comments, we should at least be prepared to delay this Bill maybe even to the fall session, because there's an awful lot of changes to the Act. It's not just taking the Planning Act and incorporating it in the municipal Act. There has been a substantial amount of changes that have gone with that. We've eliminated the regional planning commissions. We're introducing them now to the municipal areas, saying: set up your own system. The boundaries have not been defined. Hopefully there would be some definition of boundaries in some of the regulations, but there's a lot of work to be done for it to be done properly.

2:40

Planning is very, very important, and I don't see anything in the Act other than some basic framework – which is great. I mean, that has come about after a large amount of time, through consultation, like I said previously, that's been going on for some years. But all that we have there is a framework. We don't have any of the regulations, and we don't have any boundaries. We only have suggestions in there that you should get along as neighbouring municipalities and you should look after your planning on your own.

Now, I just want to go back a little bit to sections 625 and 626 in the Act and how it can impact on the smaller communities again. I have talked to a few of the people from small towns, and

they really don't have much reassurance that planning is going to be done and done properly in their communities. They know they have access to provincial planning, but they can't afford the fees. It has been suggested to them that they approach the neighbouring communities and neighbouring municipalities and ask them to supply that service for fees, but again they are strapped for cash. So unfortunately, from what I hear, they're going to abandon the process and just let it be. They just won't be able to afford it.

Going to section 632, we seem to have a magic number of 3,500 population in there. I'm just wondering where that number came from, because we're saying that a municipal plan is a must in the Act for a municipality of 3,500 people and over. I have to beg to differ on that one, because from experience the municipal plans in the communities have been an excellent tool to work from. It's like having a map and traveling around the countryside: you know where you're going. Surely when we started with the municipal plan, when we had a municipal plan in place, we were quite a bit smaller than 3,500 people, and it was a very useful tool. I would suggest that if there are going to be any amendments to this Act, that area there should be looked at and looked at seriously, because that is a very important tool, to have a municipal plan in place to ease the process. Again, 3,500 certainly is not a magic number with me.

Going further on in the Act, in sections 661 to 667 we deal with reserve land. I just want to bring to the attention of the Member for Calgary-North Hill, who introduced the Bill in this session, that there's one problem that comes out loud and clear here. In your news release you had a comment that there was no disparity or no difference between an urban and a rural municipality. Let me caution you on that one issue alone, because when it comes to reserve dedication land, you have a figure of 10 percent, and that's not any different than what it used to be. It's been that for a long time. When you're talking to developers, they're used to the fact that they dedicate 10 percent of their land for municipal reserve. I'm not talking about environmental purposes or roads or anything; I'm just talking about municipal reserve.

Now, my experience with that is that when it's a rural municipality, there is not a problem; 10 percent of the land is by far more than they need for municipal parks or whatever it is. As a matter of fact, what I've seen happen throughout Alberta, especially in the part of the province that I'm from, is that over the years that land just stays in their name and they either subdivide it or sell it off because they just don't have a need for it. Now, I know the moneys that come from the sale of that land should go into park development, school reserve, and on and on. It's all specified in the Act, like it was before, but the problem is that those reserve lands, the 10 percent that is given in small urban municipalities, is the land that is used to build the schools on. In many instances the 10 percent was not even enough for the school requirement, never mind building the parks and doing other things and amenities the community wants.

What we should try to do here in the Act is try to encourage the small urban communities, under a regional plan of some type, to negotiate or get the money in lieu of or the money when they sell the land in the rural area to go the schools, if they don't want to give it to the towns, but at least go to a fund where they can buy the land within the towns, because that's where the schools are built. The schools are developed in the central areas of those communities, which includes a rural and a small urban area. In small urban areas, the towns of the province always run out of reserve land to provide school facilities, and on top of that they have to provide parks and on and on and on. Ten percent is not

enough dedication, and 10 percent in a rural area is by far too much. If the moneys would come forward to provide land for the school, I think it would solve the problem. I think it's an area that should be looked at and looked at seriously.

The other area that could create some problems – it certainly hasn't created any problems yet – is the area of market value assessment. It's not a problem in our area, but I can see that in, let's say, for example, the community of Grande Prairie, which has a very hot economy at the present time, the fair market assessment will increase the equalized assessment for the collection of education tax. It's not going to affect the municipal portion of the tax, because the measuring stick – it doesn't matter. They still need a million or \$10 million to run those services. But certainly, on the equalized formula to collect the education tax, it's going to affect the amount of taxes collected in those communities where the economy is very hot.

We know by the revisions in the Act that the fair market assessment on properties will be in place within a year or two. In the revisions – I believe it's section 286 – last year in the MGA there was a provision in the Act that says we could adopt the assessment prepared in the previous year, but we're saying now that that part of the Act, 286, is going to be repealed entirely and it's going to expire on December 31. So within a year or two the changes are mandatory for the municipalities to have their fair market value or real market value assessment in place. A town or community that has a real hot economy that has brought the values up 50 and even 100 percent higher than the neighbouring communities will be forced within a year to pay those kinds of higher taxes for education. In education alone; it's not going to affect the municipal portion of the taxes. But it should be a concern to some of the people that represent the hot spots of the province.

If there has been any request at all in discussing the amendments to Bill 32 with the stakeholders at the present time, it's a plea to delay it until they have a chance, an opportunity, to look at it and get back to the department with it. Again, I've contacted people from summer villages, I've contacted people from communities of 4,000 or 5,000 people, and they've basically said: "We haven't even opened the document. We've received it within the last week or 10 days, and there just hasn't been an opportunity to look at it." So if there's any request on behalf of constituents, it would be to delay this to give them an opportunity to peruse the document and get back to the department.

With those comments, Mr. Speaker, I'll let somebody else speak to the Bill.

2:50

THE SPEAKER: The hon. Member for Clover Bar-Fort Saskatchewan.

MRS. ABDURAHMAN: Yes. Thank you, Mr. Speaker. I rise to speak to Bill 32. I certainly have some reservations with regards to Bill 32, and I'd like to try and read them out as succinctly as I possibly can. Just reiterating the point that has been made by my colleague the Member for Bonnyville, the timing of this document certainly is not allowing for the kind of in-depth review by the municipalities that should take place. I would go further than that. I think because of the importance of such a document, it has to have a much wider audience than just municipal governments. I would suggest chambers of commerce and industrial groups. The private sector should be encouraged to review this document, and I say that because obviously the well-being of municipalities in Alberta is dependent on the health of our communities across the province.

When you look at whether it's healthy for investment, we don't just look at our tax regime, because the bottom line, Mr. Speaker, is that the whole planning area also is a key component of attracting investments into the province of Alberta to ensure we have that assessment base so that municipal governments have the ability to do their budgeting and do it in a meaningful way. I can think back to my years – which is quite some time ago – in municipal government. I always took the approach that you need your short-term plan, you need your long-term plan, and you should be able to project for a decade what revenues are going to be generated so that you can do your planning along with that revenue generation.

I believe, Mr. Speaker, looking at Bill 32 and at what is happening to planning in the province of Alberta, I would say that we're going to end up with a patchwork, we're going to end up with a jigsaw puzzle across the province of Alberta. In fact, when I travel into British Columbia, into the greater Vancouver area, and look at the planning or lack of meaningful planning in that area, I say to myself: thank God, the province of Alberta never allowed that to happen and isn't allowing that to happen. Yet I see the elements of that right here in Bill 32, and I find that disconcerting and I find it disappointing.

Now, I would be the first to say that planning commissions to some degree had become very bureaucratic in nature and in essence had been allowed to empire build. I don't think that was just because of local elected officials on planning commissions or the bureaucracy within the planning commissions. Indeed, through the provincial appointment system, just looking at who was the chairman of the Planning Board, the Deputy Minister of Municipal Affairs set the stage, I would suggest, for creating a bureaucracy out of control.

I would have approached it very differently through Bill 32 in getting our planning back to a commonsense approach and getting it back to being what I call fiscally responsible without destroying that concept within Bill 32. I say that in essence, Mr. Speaker, it's being destroyed, because if a party, from what I can see, chooses not to co-operate, chooses not to participate in that regional planning process, they can throw a spanner in the works, but it goes beyond that. We know how complex it was to get meaningful joint general municipal plans in place, and part of it was because of political interference. I have firsthand experience with that, and we saw the lawyers and the consultants getting their coffers in hand significantly through the public purse because of political interference.

Now, we take municipalities that have a rural component on the fringe. They have an industrial component on the fringe, and you have an urban component. They may indeed be in two separate municipalities. How do you get meaningful planning in place where you get mutual agreement and mutual benefit? We know that that has been fraught with problems for decades now in the province of Alberta.

In the city of Calgary I always use as an example where historically they ensured that as the urban growth was happening, they came under one umbrella. Even having said that, if you looked at the political disagreements from Rocky View when it came to planning and subdivisions, it still didn't prevent those disagreements happening, and I see that continuing. In fact, I see it actually becoming a bigger problem for both of those municipalities because their views of how things should be are very different. The city of Calgary obviously wants to make sure that whatever is on the fringe is compatible with that urban development. They also want to make sure that whatever happens on the

fringe isn't a drain on that urban municipality. In other words, if you can't get into agreements for recreation, culture, and so on, it is viewed that the people in the fringe areas benefit from the facilities in the urban centre, and that causes some friction.

I can remember well, Mr. Speaker, when I sat on the Dr. Turner Lodge board. Because it was totally funded through the municipal taxes of the city of Fort Saskatchewan, it was being suggested that anyone outside the boundaries of the city of Fort Saskatchewan should not be allowed to become a resident in Dr. Turner Lodge. Quite frankly, I was appalled. The reasoning that the people who were my colleagues or members at large on that board put forward actually made good fiscal sense. I use the word "fiscal" because they were saying: "Well, you know, these people don't pay through taxes to the city of Fort Saskatchewan. They pay their taxes to Strathcona county, and they should be housed within a facility in Strathcona county." Yet their own community for marketing, for all their health care, their education was all within the city of Fort Saskatchewan. Indeed, the farmers in that area were in essence the people that made the city of Fort Saskatchewan become an urban entity, because they settled there, they farmed that land. It was ironic. The very people who were the pioneers – and that was their community, in essence – were suddenly being told, "Oh, no, no; you don't pay taxes to this municipality, so you should be going over to Sherwood Park," just because of the almighty dollar.

You know, you've got to have more than money when you make considerations. Fortunately, sanity prevailed that we were a caring and considerate board. We said that those people who lived in the rural component outside the city boundary should have the right to come into Dr. Turner Lodge, the senior citizens' lodge, and that was the right decision to be made.

I see that through what's happening with planning in here, we're going to get into more disagreements on where people fit in. It'll start with people trying to co-operate, but I would suggest that this is actually going to be more negative than the process that was in before, which was the Minister of Municipal Affairs going to municipalities like Grande Prairie, Fort Saskatchewan – I can name some others, Mr. Speaker – and saying: you won't be allowed to annex anything more unless you've got a joint general municipal plan, and you've got to get into an agreement with your neighbour. So you do that, and you get into a disagreement. It comes to Municipal Affairs. They get caught in this political war that is evolving, and they don't have the political courage because they don't want to offend that mayor or don't want to offend that reeve. So what happens? They say: oh, well, take it to the Local Authorities Board. So you go to the Local Authorities Board. You've got all your lawyers; you've got all your consultants. They put their case forward – this is all under oath – and decisions are made. Oh, but the decision that the LAB made: certain parties didn't like it. So back we go to cabinet, to Executive Council, and we're back into the same political game playing that happened before we went the LAB route. So where does it go next? Into the courts. Then the government decides: oh, well, we'll let a judge make the decision. So that's exactly what happened: a judge finally made the decision after millions and millions of dollars had been expended.

3:00

Now, Mr. Speaker, I am going to ask the government of Alberta: how do you see that through Bill 32 you've addressed in a positive, meaningful way the conflicts that arise? I think what was in place before was a very credible planning process. Yes, a planning process that unfortunately had become costly, but

quite frankly I don't think you had to destroy that regional planning concept, which was legislated and which people were legally bound by, because you wanted to get your fiscal house in order.

I would suggest that with what we're seeing in Bill 32 it's indeed going to become a nightmare in this province. If it doesn't become a nightmare, I see in section 602 a suggestion that the establishment of any new commissions requires a great deal of interference by the minister. Under section 602.37, "the Minister may at any time appoint an official administrator." I could go on – and we'll get into this in Committee of the Whole – but I'm using that as an example where once again in this Bill there's an acknowledgment that, okay, if they can't sort it out here, the minister's going to get involved in this process. To my mind, that is when you don't have good, sound legislation and it's deemed that somebody has to interfere in the process.

Mr. Speaker, I would suggest that under the previous Planning Act and the Municipal Government Act, if the politicians had kept their noses out of it, we wouldn't have had the kinds of problems that cost millions of dollars to taxpayers of the province of Alberta. But for political gain or whatever you want to call it, politicians stuck their noses in the middle of sound positions of bodies they had put in through legislation, like the Local Authorities Board or the Public Utilities Board. They put them into place, but they didn't like their decisions politically so they interfered. Now, I'm suggesting you're doing the exact same thing in Bill 32. There are opportunities for government to interfere, to exempt.

You look at 618(4), and it says that this gives the Lieutenant Governor in Council the ability to exempt anyone or anything from any part of the planning legislation. Well, why do we need the Lieutenant Governor to have that ability? I mean, if this is a good Bill and you're really looking after the planning interests of Alberta, why are we being so permissive once again? I get really suspicious. You know, we look at what's happening under Bill 34, and you look at this brave new world we're talking about. I just see Bill 32 as this same kind of open-endedness, where people who have the type of political clout to get Executive Council to change the rules for them will use Bill 32.

You look at section 619. You're talking about how "authorization granted by the NRCB, ERCB or AEUB prevails" over any land use decision by a municipality. Now, what does that do to local autonomy? Who are these boards representing? Is it the small guy in the province of Alberta? You bet your bottom dollar it's not Joe Blow Average in the province of Alberta that's being looked after here.

So, Mr. Speaker, I just want to reiterate that I want to hear it laid out how this government sees the planning in Alberta evolving from this point forward. How are we going to get away from this urban/rural conflict? How are we going to prevent the greater Vancouver – when you drive there and you see what's happened on that mainland, I certainly don't want to see that.

Now I go back to the U.K., which is a small island. You look at its population base and compare it to Alberta, and you look at how agriculture is thriving alongside urban development. Yet, Mr. Speaker – and I think you'll be able to appreciate this – we pussyfoot around when we're dealing with urban/rural conflicts. I can think of the major issue of urban/rural. It's a good healthy smell, but it's odours, odours coming from intensive livestock operations, the grain farmer doesn't like it. Now, the government knew they had a problem. They've come up with some solutions, but they haven't really addressed the solutions.

Now, if you go to Holland or you go to Britain, the agricultural community knows that if you're an intensive livestock operator, you have to meet an acceptable level of dealing with the effluent

coming from that operation. They live side by side. You have piggeries. You have intensive poultry operations. Next door to them you've a heavy urban area, and they're compatible. You only achieve that when you put the right kind of legislation and regulations in place. You know, I hear people in my community, after they've bought their \$200,000 homes, complaining because they can't sit in their backyards because of the odours. Now, that just lends itself to conflict.

I grew up on a farm, where I mucked biers and spread manure. I know what it's all about. I know when I go back to Europe and to Britain and I see the intensive livestock operations, they couldn't have their thriving agricultural industry if they had not dealt with it in a land use planning way and made sure that the legislation which is in place deals with those issues so you get rid of this urban/rural conflict. I'm saying: where in Bill 32 – oh where, oh where in Bill 32? – are you dealing with those issues in a meaningful way? I would say you're not.

DR. OBERG: Don't look down, Muriel. Look who's behind you.

MRS. ABDURAHMAN: Oh my; he has arrived. Mr. Speaker, I'd like to invite him to move up one. I think my ear could live with him probably better than the Member for Grande Prairie-Wapiti. Then again, he's at my rear.

Okay. Getting back to . . . [interjections] The unfortunate thing is that members in the gallery won't know the significance of the member to my right now sitting to the rear of the Official Opposition. It would have been interesting to share that, but I think it would be inappropriate, Mr. Speaker.

Now, there certainly are some good things in Bill 32. Something, Mr. Speaker, I fought for years – in fact, when I look back on the reasons why I entered municipal politics, there was one thing that I didn't achieve out of the platform I laid out. I see it's included in Bill 32, and I thank you for that. It's taken me over 15 years to see it. You know what it is? It's the Development Appeal Board: "councillors may not form the majority." I say congratulations. That's long overdue. I mean, I was appalled as the mayor of the city of Fort Saskatchewan that the Development Appeal Board was our council. We were judge and jury. And could I convince my six aldermen? All males, all males. That was the only thing I honestly didn't convince them of, that we should create an independent Development Appeal Board that's not judge and jury, where there's not conflict of interest. We should still maybe have two aldermen on it, but the rest would be members at large.

So I'm really pleased to see that that's in Bill 32, but giving you that bouquet, there's a little bit in there that I don't like. Why would you include the word "subdivision"? Shouldn't it still just be "development appeal board"? I'm reading it as a "subdivision and development appeal board." Why did you have to put the word "subdivision" in there? Why separate it out? It's a development appeal board, and it's responsible for certain issues. That's where it should remain.

Thank you, Mr. Speaker. I look forward to speaking to this in more detail in Committee of the Whole. Thank you.

3:10

THE SPEAKER: The hon. Member for Leduc.

MR. KIRKLAND: Thanks, Mr. Speaker. Just a few brief words on Bill 32. I'll speak in favour of the principle of the Bill because I certainly realize that the Alberta Urban Municipalities Association has been a body that has been consulted with frequency on this particular matter. It has their endorsement, generally speaking.

I would have to comment on process, Mr. Speaker, and have to comment on the fact that the original MGA came in at, I think, 260 pages or thereabout. We now have an amendment that comes in at 122 pages, and I would suggest that perhaps if we slowed down just long enough to do a good, solid, quality Bill here, we might not be into the amendments and the long debates that carry on ad nauseam in these matters. When I say that, if I could just have one more comment on the process, if we were subjected to technical briefings on Bills of some 260 pages by the government, I would suggest that it would be far more desirable. I think you would find we would spend less of the Assembly's time asking for clarification and asking for comments. A lot of that could be out of the way before we even got to the actual Bill discussion. It's not as if this side of the House is totally void of any sort of ideas or thoughts, and it's certainly not as if we can't understand what is being looked at. They're voluminous Bills that come forward, and the technical briefings would assist tremendously in cutting down the debate.

The Bill and the new process, as I look at it, is the repeal of the Planning Act, in this particular case, and incorporating it in the Municipal Government Act. I'd like to specifically address several amendments that have caused me some concern when I reviewed the Bill. The first amendment would be section 304, and I believe the hon. Member for Lethbridge-West addressed it in his question in the House today. That is a concern, and as I understand this, it looks to me like it sets up the owners of mobile homes or mobile parks in a position of double taxation. As I look at that and try to interpret it, it would appear, according to the Act as I read it, that not only can the municipality tax the mobile-home park itself as an entity, but it separates out the mobile homes as individual entities themselves. I view that as the opportunity for or that it looks like it could potentially end up with a double taxation. I have some difficulty with that. Now, I know the municipality will have some say in that, but I know that with municipalities being squeezed as they are financially, they will be searching for revenue and their hands will be forced, I would suggest.

I went further on through the Bill, and I looked at page 14, section 326, for example. It looks relatively unchanged, and then I see that there's a little clause slid in there which indicates that if there is a residence on a university or a college that is considered to be a single-family residence, it now comes into the purview of being taxed as well, Mr. Speaker. That'll be an added cost to educational institutions, in my view, that is not desirable. They, as so many different groups and different entities in this province, have had their grants and their funding cut, and now we're opening the door, in this case here, to actually tax some more. I think when we look at universities and how we're attempting to attract qualified people to head up these institutions, one of the little perks that can often be offered, be it a college or university, is residency and residency on there. Now it looks like in fact this Act will enable the municipalities to tax that.

The repealing of the planning commissions themselves, Mr. Speaker, I would suggest – I heard the Member for Clover Bar-Fort Saskatchewan make this comment, and I believe the Member for Bonnyville also made this comment – will in essence, in my view, work to the detriment of the province of Alberta. They both used the term "patchwork development." I envision that will happen as well.

I sat on the Edmonton Metropolitan Regional Planning Commission for a short time as an alderman for the city of Leduc, and it was my observation, Mr. Speaker, that that collection of individuals from Edmonton and the surrounding area was an excellent

venue to actually vent the different developments that were to take place. It brought together the rural perspective and the urban perspective, and it was filtered through the question of whether all the municipalities could actually live with the suggested developments that were to take place. Each one of the councillors profited as a result of those discussions and was at that point able to take it back to their municipalities and indicate what the downside or what the positive side was. Those regional commissions now being eliminated I would suggest will work to a detrimental aspect.

I think that the hon. Member for Clover Bar-Fort Saskatchewan used the British example as one that was not desirable. I think we can look at the Pacific northwest states south of the 49th parallel and find that the patchwork development down there leaves less than desired development throughout the communities. I would suggest that because those commissions have been removed by this particular Act, we will in all probability move into more adversarial discussions between municipalities, which will result in costly legal battles, and I think that's very unfortunate.

When we look at the Bill and, again, the planning aspect, I find it ironic, Mr. Speaker, that the province has forced all the municipalities in the last three or four years into great expense to develop the joint municipal plans with their neighbours so they could all understand where each community wanted to go and what their objectives were. This Bill, in my view, undoes all that work and, I would suggest, puts those dollars to waste.

I look at the Act and at clause 654, which opens up the development radically and dramatically. If I could use the Leduc constituency as an example, there are many beautiful corners in the Leduc constituency that are prime for development as far as country residential developments are concerned, all very close to the borders of the city of Leduc, Mr. Speaker. This Act will enable the county to develop those country residential districts. They'll do so without having to endure the costs of schools or recreational facilities. They'll simply have to provide the infrastructure costs of water, sewer, and roads. The city or the surrounding communities, be it Beaumont, Devon, or Leduc, will have to pick up the added costs of the recreational facilities.

Now, in the past the county of Leduc has been very generous in ensuring that there was cost sharing there. I would suggest that this may in fact open the door to view it in a different light; that philosophy of sharing revenue may not continue to exist. If I were in the position of the county, I would certainly look at country residential development simply because it generates a considerable amount of revenue and does not result in a tremendous amount of expenditure as far as those infrastructure costs are concerned. Conversely, if I were the city of Leduc and I had some concerns or the town of Beaumont, which is presently in a development struggle with the county, or Devon, it would be my advice to them that if they want to protect their borders, they're going to have to seriously look at annexation to ensure that development does not occur on their borders that they cannot control or that may work to the detriment of the community.

3:20

The hon. Member for Clover Bar-Fort Saskatchewan used an example of intense livestock operations adjacent to. Certainly that would happen. In a good, neighbourly spirit I would like to think that we wouldn't run into that situation, but I would suggest that in fact that is exactly what will happen in some instances, not because the county of Leduc or the city of Leduc or the town of Beaumont or the town of Devon has any hidden agenda but simply because those councils will, as you know, along with the county be subjected to a tremendous amount of lobbying by the developers. That lobbying certainly can distort good, sound development.

Now, I know that we're all to have confidence in the municipally elected officials, and I do, Mr. Speaker, but we've all been subjected to a tremendous amount of pressure in our jobs as politicians, and sometimes that does cause us to make decisions that are not as desirable as they should be.

So when I look at Bill 32, although there are positives in it, I have to offer some cautions. It does have some deficiencies and shortfalls. That section 654 that I spoke of earlier: I think there are some very disturbing clauses in there. One of them that I can recall indicates that regardless of whether the land is suitable for that particular development, the subdivision authority, which will now be the municipality, can actually bring it into development, in that sense. That, in my view, poses a threat to some very good farmland; it may in fact be pulled out of production. As you know, Mr. Speaker, once it's out of production, there's no way to put it back into production if we were to develop residential on it.

So I don't think the Bill provides enough safeguards to the different communities, and it would be my suggestion that, as we have seen in some annexation bids and battles that have gone on in this province, this Bill will encourage more of those. The municipalities as a defensive means will have to at this stage, as soon as the Bill is passed, start looking at what options are best for them to protect their borders and ensure that their residents, their citizens, are not subjected to development on the outside of their borders that they can't control and will impact detrimentally on the community. Conversely, when we look at the urban areas that are developed today, they are going to have to find some sort of solution to the development of country residential, which will call upon their infrastructure resources, an added cost to the tax base and the taxpayers of their communities.

Mr. Speaker, I look forward to some of the debate at the next step of the process here. I would certainly like to think that government members are amenable to some amendments that will enhance the Act. I understand that the Act itself is generally accepted by the groups that have been consulted, that being the reason for my support as well.

So with those comments, Mr. Speaker, I will conclude.

THE SPEAKER: The hon. Member for Sherwood Park.

MR. COLLINGWOOD: Thank you, Mr. Speaker. I'm pleased this afternoon to enter into debate on second reading of Bill 32, the Municipal Government Amendment Act, 1995. I would concur with many of the comments made by my colleagues on the concerns that have been expressed with Bill 32. Members recognize that Bill 32 is a very comprehensive piece of legislation. The bulk of this Bill is the move to a new Planning Act structure which will be incorporated into the Municipal Government Act as the government moves to consolidate its legislation dealing with municipalities.

There is, as members know, another set of amendments to the Municipal Government Act that are dealing with the changes that are necessary to impose and implement the taxing structure that is taking place at this point in time. I read with interest, Mr. Speaker, in reviewing the Bill, the transitional provisions and the coming-into-force provisions and recognize that a great number of the taxing provisions have that old deeming provision in there, which I think many Albertans find extremely offensive. Many of the early sections in the Bill dealing with taxation are deemed to come into force on January 1, 1995, and of course here we are in May of 1995 debating a Bill that was tabled, in my recollection, late in April.

So I would be critical of the government once again in coming forward with legislation that contains deeming provisions. If the government is not yet ready to implement these kinds of legislative changes and in fact, more specifically, the kinds of legislative changes that impact directly on taxation of Albertans, then what the government ought to do is introduce these amendments and, once the amendments come into force, then proceed and implement the legislative changes after they have gone through the debate in the Legislature. After this Bill is passed, these provisions – what will come into law is section 104 of this Bill. That is, the deeming provision kicks in. What the government is now doing today through its departments, which it has no legislative authority to do because we're dealing with the Bill right now, is once again saying: "It doesn't matter. We're going to do it anyway, and we'll simply use the deeming provision to make it law retroactively." I think that's a very offensive way to proceed with legislation, Mr. Speaker, but one that is consistent with this government.

Other provisions in terms of dealing with the repeal of other Acts are sections of this Bill that come into force on September 1, 1995, and December 31, 1995, respectively, and then the remainder of the sections come into force on proclamation. It is, to my way of thinking, Mr. Speaker, an inappropriate way for legislation to be tabled in this Legislature, where the Act specifically allows for retroactivity of legislation.

There are many concerns that have been raised by my colleagues with respect to some of the components of the Planning Act part of Bill 32. Certainly my colleague for Clover Bar-Fort Saskatchewan raised the concern about the autonomy that is being left with municipalities in the new structure as proposed in Bill 32. There is an excellent example of that in section 619 of the new part of this Bill in having the decisions of the NRCB, the ERCB, and the AEUB prevail over any decision or plan of a municipality. Now, it's interesting to note with respect to the NRCB that the way that legislation is worded, the NRCB does in fact authorize something to occur, but that authorization or that approval granted by the NRCB has no force and effect until it is approved itself by order in council. So, in other words, the Natural Resources Conservation Board will issue an approval, conditional or otherwise, and that approval in and of itself has no force and effect in law by virtue of the NRCB Act until an order in council allows that approval to have force and effect.

3:30

In essence, what's happening is that the provincial government is taking away the autonomy of municipalities by saying that the NRCB decision is paramount, but the NRCB decision can't be paramount until an order in council makes it paramount. So this is an intrusion, albeit indirectly through the municipality. The municipality has to be subservient to the decision of the NRCB, but the NRCB decision doesn't happen until the provincial government makes it happen. I would submit to you, Mr. Speaker and hon. members, that that's one way where the provincial government is directly getting its hands involved in local autonomy and local planning, where it is not the NRCB until the provincial government makes that happen.

What I do want to spend a couple of minutes talking about, Mr. Speaker, is the environmental side of the proposed Planning Act and, in the context of that, specifically section 619. That section along with some other sections that deal with, for example, environmental reserves raises some very interesting and difficult questions about how municipalities are going to plan for environmental reserves, how they're going to deal with the new implementation plans of the provincial government. I'm speaking

specifically of the implementation plan announced by the Minister of Environmental Protection in Special Places 2000. Now, the Special Places 2000 implementation plan is not going to happen in a vacuum relative to municipalities. They are in the minister's plan a significant part of the process. Through the nomination process, through to the local committee involvement, all the way through the process municipalities are going to have to deal with the Special Places 2000 implementation plan. Now, within the Bill itself there are also provisions for municipalities to, for example, set aside environmental reserves. There is also provision in the Bill for environmental reserves of private land that is the subject of an application for a subdivision approval.

Well, how is all of that going to tie together? To me, looking at the Special Places 2000 implementation plan, it leaves it pretty much up in the air as to how this is all going to tie together for a municipality. Will the environmental reserve components of the Bill be the foundation or the impetus for a special place for a particular municipality? Will that program be outside of the planning processes for municipalities with respect to environmental reserves or for protected areas? Are they separate and distinct? Are they collective? Are they integrated? It's difficult to tell how that process is going to work.

I do note that in the specific provision – and I think it's 671, Mr. Speaker – an "environmental reserve must be left in its natural state or be used as a public park." Well, potentially that will give a municipality the opportunity to identify, select, and nominate, whatever, a special place and do it through the planning process, or again it could be a process that's completely separate from that. So it's a bit unclear as to how it's going to work in terms of environmental planning for municipalities in the context of, in many cases for some municipalities, tremendous pressures for development. The Minister of Environmental Protection and I have had our debates about pressures of development, about the tremendous pressure that will be placed upon municipal councillors to effectively set aside protected areas and to prevent development in every corner, with the kinds of pressures that are going to be mounted on development in Alberta.

My colleagues have commented this afternoon in this debate about the concern for a patchwork quilt that may ultimately result from Bill 32 and what is essentially a framework that is being given to municipalities without the skeleton, if you would, Mr. Speaker, without the meat on the skeleton in terms of regulations, in terms of an overall provincial perspective on development. We have all encountered and worked with developers. Some developers of course are very good; other developers are very aggressive in planning. The difficulty is that the Planning Act as it's come forward in this particular Bill doesn't in some cases, I think, give them the tools or the armour to protect against that aggressive kind of development.

There are a couple of specific provisions that came to mind. One of the concerns that was raised is in terms of a subdivision application. Looking at section 654, the subdivision authority has to consider whether or not to allow for a subdivision approval, but in subsection (2) it says:

A subdivision authority may approve an application for subdivision approval even though the proposed subdivision does not comply with the land use bylaw.

So the municipality is required to create a land use bylaw. It is required to go through the subdivision approval process, and at the end of that process, even if the subdivision does not comply with the land use bylaw, the authority continues to exist for that subdivision authority to allow the application to go ahead. Those are the kinds of concerns and difficulties that I think municipali-

ties are going to face from the pressure of developers to allow that to occur.

There was another specific provision that I wanted to mention, and I'm not sure if I've got it close at hand. That's with respect to allowing for a hearing; I'm referring specifically to 653(6). It's interesting to note that when there's an application for a subdivision approval, there must be notice given to adjacent landowners, and after that notice has been given, the subdivision authority has to consider written submissions about the subdivision application. The interesting thing is that in subsection (6) it says that the subdivision authority "is not required to hold a hearing." To propose subdivisions that may not have to comply with the land use bylaw leaves adjacent landowners in a position where there doesn't even have to be a hearing process take place, only written submissions to the subdivision authority, who will then make a decision potentially or presumably behind closed doors. That fundamental right of holding a hearing I would submit, Mr. Speaker, is indicative of some of the concerns that exist in this Bill and some of the concerns that Albertans are going to have about a new planning process.

Mr. Speaker, I think I'll end my remarks there. One of my concerns, of course, is the environmental planning process in this Bill and some fundamental concerns and difficulties, the deeming provision being one, and fundamental rights such as a hearing for a subdivision application. So with those comments, I'll pass to someone else to speak.

MR. DICKSON: Mr. Speaker, I'm pleased to be able to join in debate on Bill 32 at second reading. I come at it with a number of specific concerns. Chief among them is the fact that I represent what is the single largest unicity in western Canada, and that's an organization, an entity that we've been able to see prosper. People look at the city of Calgary as a model of urban planning. We've been able to avoid what's happened in Vancouver and most of the other large cities, and one recognizes that obviously something has worked in the city of Calgary. When one looks at the structure to see what elements were there in the planning that was extant at the time that Calgary grew so quickly, what one finds is that because we had a unicity government, because we were able to avoid this business of head knocking between a series of separate municipalities, we were able to target resources where they were needed. We were able to do a kind of first-class planning to ensure that decisions were made that were going to advantage all Calgarians and all elements of the city.

Mr. Speaker, I guess I feel that the MLAs from the city of Calgary – there are 20 of us: three on this side and 17 on the government side – should feel a little sheepish going back to the city that we've all been elected to represent with Bill 32 in our back pocket, because what Bill 32 does – in effect, it means that we have effectively dismantled the elements of urban government in the city of Calgary that have made that city prosperous, successful, and well managed. [interjection] If I don't send this to my constituents, maybe I should send it to the constituents of the other 17 government members. That's a thought; I'll give that some consideration.

3:40

I had the opportunity also, Mr. Speaker, of attending, I guess it was last spring, the last meeting of the Calgary Regional Planning Commission, which was held in south Calgary. It was a unique chance for me to talk to representatives from places like Canmore and Cochrane and Irricana, places that had provided representatives to the Calgary Regional Planning Commission.

What was interesting to me as I spoke to those people at that last meeting, the final meeting, was the extent to which they praised the effectiveness of the Calgary Regional Planning Commission. I guess I was just particularly impressed with the fact that it had worked well. That wasn't to say that there weren't issues between the city of Calgary and some of the nearby municipalities and municipal districts and so on, but the point was that the form of planning worked well. It allowed Calgary to be able to plan in a very focused sort of way and have a kind of input into development going on on the periphery of the city of Calgary that wouldn't otherwise have been available.

I expect that my constituents are going to ask me, if Bill 32 should pass: "How have we benefited? How have people in Calgary been advantaged by the fact that we've dismantled the Calgary Regional Planning Commission and we've now basically said to municipalities to simply pursue your own interests as aggressively as you choose?" There's not going to be that kind of a forum. There's not going to be that sort of facility to sort out the problems that invariably come up between different municipal governments. I'm afraid I'm going to have to tell my constituents, in this respect, that I think we see a further consolidation in the form of the provincial government, a dramatic weakening if not the actual elimination of the power for regions to be able to plan in an ordered and intelligent and long-term way future expansion, future development. I just think that's a major concern.

I think that in the government's infatuation with privatization, it's worth recognizing that the whole history of this country, of this province has been one of governments recognizing that they have large and pivotal roles to play when it comes to planning decisions. That's what people elect governments for and that's what people pay taxes for. They also expect other things, but they do expect a degree of comprehensive, long-term planning. It's one of the things that has distinguished us from the large urban areas south of the border, and I regret very much that it appears that we're going to create or attempt to replicate the American experience in urban planning, which I suggest has not been a model that any enlightened, democratic system would want to follow when it comes to municipal control, municipal government.

As well, I know that the city of Calgary has raised some specific concerns with respect to Bill 32 that I think need to be addressed and have not been adequately addressed. We still have the provision in terms of section 171. I'm referring here to the permissive clause which says that "a council may by bylaw" deal with disclosure requirements for elected municipal officials. Mr. Speaker, I'd think that every member of this Chamber, where we've seen the importance of our Conflicts of Interest Act, where we've seen the important role played by the Ethics Commissioner, would be particularly sensitive to this issue. I would have thought there would have been massive and I would have hoped even unanimous support in this Legislature to ensure that municipal councillors would be governed by disclosure rules analogous to those that we operate under. I think all members recognize that there may be elements of our disclosure regime that one may want to change in some fashion, but overall it's an enormous step beyond where we were before we had the Conflicts of Interest Act. So I'm disappointed with section 171, the fact that it doesn't speak to recognizing the public interest and ensuring that elected people operate without conflicts.

Also, I have a concern, Mr. Speaker, with section 223(2)(a). This is the requirement in terms of the threshold before a petition is approved in the area of a municipality. I think that what we still have is a refusal on the part of the government to accept that

you should only require 5 percent of the population to be able to initiate a municipally sponsored petition.

I think that there are many members on the government side whom I would have described as populist because they talk like populists. They talk about the importance of citizens' initiative and referendum. They talk about recall. We had a number of members on the government side who supported recall. Well, long before we get to those fancier, more sophisticated means of populist initiative, you deal with a municipally sponsored petition. One would have thought that 5 percent of the population would make perfectly good sense, would be reasonable yet not represent a threshold too difficult to attain. So I'm disappointed that we have that problem in Bill 32 as it's now in front of us.

I have some other concerns that perhaps are more detailed and can more properly be addressed at the committee stage. I'm hopeful that those MLAs from the city of Calgary will give some sober second thought to Bill 32 before we proceed further. I'm thinking particularly that here's a chance for some real leadership from some of the members I know in the government caucus who in fact have been part of Calgary city council in the past, before they came to this Chamber. I'd expect that while many of us have had little or no experience in municipal government, a number of members have had a great deal of experience in that forum. One would think that they would be able to argue persuasively with their colleagues and certainly with the sponsor of this Bill to reconsider those changes I've highlighted. I can only assume that the sponsor of Bill 32 was preoccupied with some of the other elements and didn't have adequate opportunity, Mr. Speaker . . .

MR. MAGNUS: Point of order.

THE SPEAKER: The hon. Member for Calgary-North Hill is rising on a point of order.

Point of Order Factual Accuracy

MR. MAGNUS: Thank you, Mr. Speaker. Standing Order 23(h), (i), (j), (k): pick one. The moral of the story is that the member's touting that I've been preoccupied with other things rather than this Bill. In point of fact, I would like it withdrawn. It's erroneous. I've been in consultation with the city of Calgary very closely for the last year, and I'd like the remarks withdrawn.

MR. DICKSON: Well, Mr. Speaker, what's unfortunate is that the member rose while I was still trying to develop my argument. If he'd had the forbearance to sit a few moments longer, he would have heard me say that I think there are some very positive elements in the Bill. I certainly didn't suggest that the sponsor of the Bill had not been listening to Calgary city council or the municipal corporation of the city of Calgary in drafting all elements of the Bill. I've simply highlighted a couple of elements that I've been speaking about. Those were the only ones I focused on. The member's response, in fact – he took me to have said something I simply did not say, on the point of order.

THE SPEAKER: Is the hon. member finished with his contribution to the debate at second reading?

MR. DICKSON: I was just addressing the point of order raised by the sponsor of the Bill, Mr. Speaker.

3:50

THE SPEAKER: Well, this is a debate at second reading, and the Chair would take the comments of the hon. Member for

Calgary-Buffalo in that sense, in the sense of debate. There may be disagreement between the hon. Member for Calgary-North Hill and the hon. Member for Calgary-Buffalo with regard to certain elements of this legislation, but the Chair really didn't hear anything that would allow the Chair to rule that there's been a valid point of order under the sections cited by the hon. Member for Calgary-North Hill.

The hon. Member for Calgary-Buffalo.

Debate Continued

MR. DICKSON: Thanks very much, Mr. Speaker. I guess the other point just in concluding would be that certainly the officials of the municipal corporation of the city of Calgary and the mayor and the aldermen I know have a keen interest in the progress of this Bill. They're certainly going to have the opportunity to review *Hansard* and reflect on the arguments raised both by proponents and opponents of the Bill, and I think ultimately they'll be able to make a determination in terms of how their interests have been served or otherwise.

Thanks very much, Mr. Speaker.

THE SPEAKER: The hon. Member for Little Bow.

MR. McFARLAND: Thank you, Mr. Speaker. It's my pleasure today to rise to make a few comments on this piece of legislation that would fine-tune last year's Municipal Government Act. As a former councillor and school trustee and hospital trustee of 15 years it's refreshing to see that this government can enact legislation that does allow flexibility to locally elected municipal councillors, trustees, and the like. The passage of the MGA last year represented a significant change in the roles and responsibilities of local and regional governments, not to mention their relationship with their provincial government.

As we look back at the Act and how it has served Albertans throughout the past year, I think in a large part, Mr. Speaker, the Municipal Government Act is a sound mechanism by which municipalities can conduct their affairs in the best interest of their constituents. However, we've also had a year under the operation of this new Act to see where the legislation comes up short. There are also areas where good provisions under previous legislation and practice were inadvertently taken away, and many of the amending clauses of this Bill 32, that's before us today in second reading, are for the express purpose I believe of remedying these bugs in the system, if you will.

I had the opportunity to be privy to the development of these amending clauses as they were born out in the standing policy committee on ag and rural development, which I chair, Mr. Speaker. I can tell members of this Assembly that there was a good deal of give-and-take between members of this government and interested stakeholders from municipalities all across the province. I believe this exchange of ideas and priorities is very healthy in terms of hammering out the best way to administer good government in our province today. Today we bring the fruits of our standing committee's labour to this Assembly as a whole to further debate and analyze the amendments as presented. It's my sincere hope that we can arrive at a consensus as to how we can best provide these services to Albertans.

With that said, Mr. Speaker, I'd like to address one of the major undertakings of this Municipal Government Act, and that is the collecting of school taxes. There's been much said in the media in the past three months, years for that matter, as to how far right this government has gone in its ideology. Some would

have you believe that the government is trying to establish a society where the rich have and the middle and lower classes have not. However, one only has to look at the program that this government has implemented to ensure that all children in this province have access to the same opportunities, because of equalized funding and assessment. It is true that this government is moving towards the right in terms of advocating self-sufficiency and independence. We view education as that crucial starting point that kids need so that they are given the tools to fend for themselves and eventually their families. So I guess it's better to be right than the alternative: to be wrong.

Mr. Speaker, Bill 32, that we're currently examining, addresses education taxation in terms of basic housekeeping and provisions for accountability. This Bill would require that the tax rate used to raise the provincial school requisition be shown separately on the tax notice. In this way, Albertans will be aware of exactly where their tax dollars are going and just what the best bang for the buck is that they're actually getting.

It also makes some adjustments in other areas that are important to Albertans, especially those in the rural areas of our province. For example, section 298 of the current Act requires rural water co-ops to be assessed for taxation purposes. The exempt property regulation only exempts those co-ops which are owned by the municipality and held by nonprofit organizations acting on behalf of the municipality. In other words, Mr. Speaker, the water distribution systems that rural Alberta uses for domestic water will be exempt, as they previously were. I believe that's a terrific amendment and one that most all of this Assembly can support.

Mr. Speaker, as many in this Assembly are likely aware, water co-ops were formerly exempt under the old Municipal Taxation Act. The rationale was that water co-ops should be treated similar to rural gas co-ops. As many Albertans that depend on water supply form these co-ops, they can tell you themselves that this service is essential to having the basic amenities in the outlying areas of our province. These co-ops do nothing more than make life on the farm as livable as life in town by providing water for drinking, water for sewage systems, and perhaps enough water to operate a small hobby farm or a vegetable garden or just keep your grass green. These water co-ops were built with thanks to government funding of 75 percent of infrastructure costs. Co-ops operate on a break-even basis, so it just makes sense that they're exempt from assessment and taxation so that they can continue to provide these basic amenities to many rural Albertans. This Bill makes provisions for returning to the way the situation was handled before, and rightfully so.

I'm also happy to note that there's a section in this Bill that will allow municipalities to pass bylaws enabling them to collect taxes either from the owner of a mobile home in a mobile-home park or the individual who owns the mobile-home park that the mobile home is in. This is a definite plus as it ensures that there is someone accountable for paying that particular portion of the municipal tax base. This is a good amendment in my opinion, Mr. Speaker. I believe there are pros and cons depending on the location of the mobile-home park, but by and large in the smaller areas the municipalities have much better things to do than have their administration chasing after bad accounts. I believe the mobile-home businessman, who is in the business of operating that, is the one who should be responsible for taxation collection.

Finally I'd like to comment on the proposed amendment in this Bill that deals with titles to land after tax recovery, again a great improvement in the Municipal Government Act, arguably the best news to municipalities of any of the proposed amendments in this

present Bill. Under current provisions in this province the municipality at whose request a tax recovery notification was endorsed on the certificate of land title automatically becomes the owner of that parcel of land if it is not sold at public auction. I can recall that out of the numerous town hall meetings I had over the course of this year quite often this was the one issue that came up more often than not. Quite often this results in a scenario where ownership definitely does not have its privileges, Mr. Speaker. I believe this is the case in many of the smaller communities where the land is environmentally contaminated and the owner of such land is held responsible for the cleanup.

4:00

The cleanup of environmentally contaminated land is a very costly endeavour, and it is not fair that the municipality is automatically responsible for that simply because nobody else wants to buy the land or somebody was irresponsible for the past 40 or 50 years or, for that matter, if it was an accumulation of accidental errors over that period of time. This Bill addresses that fairness issue by holding that a municipality may become the owner of a parcel of land if it is not sold at public auction. This would be no small achievement for there are a large number of abandoned service stations that have seeped gasoline into the surrounding earth and groundwater. I know that the AUMA, the Alberta Urban Municipalities Association, was quite vocal about achieving this level of flexibility for local governments, and I'm sure they would be happy to have the legislation amended in this regard. This is not to say, Mr. Speaker, that the problem of environmental contamination will be left unchecked, for ultimately somebody has to be responsible for the cleanup. But it is my understanding that Alberta Municipal Affairs along with Alberta Environmental Protection will be co-operating in developing a mechanism to deal with the contaminated lands.

[Mr. Clegg in the Chair]

To sum up, Mr. Speaker, I was pleased with the Municipal Government Act that this government produced. This was legislation that effectively placed the destiny and well-being of each municipality in the hands of the people who have the most at stake in that area. If there was room for improvement, then I feel that Bill 32 is a means for achieving that improvement.

I would urge all members of this Assembly to support Bill 32 and think of the flexibility that it has now and will provide for locally elected municipal politicians. Thank you.

THE ACTING SPEAKER: The hon. Member for Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Speaker. Just a few comments, because so much of Bill 32 really deals with the whole issue of planning and development that would occur under the Planning Act.

In my constituency we've got a huge amount of growth that occurs there on a regular basis. Just by way of example, in the 1989 general election there was a bare patch of ground where now we have a community by the name of Hamptons, which actually resides in the constituency of Calgary-Foothills, although at the time it was part of Calgary-North West. Due to a boundary shift Hamptons didn't move, but certainly the boundaries did. I found myself in a curious situation. When I campaigned in '89, there was really nothing there other than some - I think there were one or two farm residences still on the site. Now we've got a huge

amount of growth. We've got actually a new golf course that has opened up in that area. [interjection] I understand from the Member for Calgary-North Hill that it's a great course. I haven't had the opportunity to study it yet, which I hope to do in the near future.

Nonetheless, the point I'm making here is that that's an indication of the rapid growth that is occurring in the northwest quadrant. In my own constituency of Calgary-North West I mentioned that Hamptons, which used to be there, is now a part of the constituency of Calgary-Foothills. In my own constituency we've got a new community called Tuscany, which is just coming under development now. We've got actually some show homes in there. To the north of Highway 1A we've got another new development coming in called Rocky Ridge, again that last year was regular prairie. We've now had a lot of the topsoil bared off in one of the first moves. [some applause] I didn't realize that I was so effective in my speech, Mr. Speaker, but I'm pleased to see that they recognize the importance of Calgary-North West in the province of Alberta. It's great to have that support from the members.

The point is that with the rapid growth that's occurring, my concern I guess in particular is that when I look a little bit farther to the west from the Tuscany area, which is west of Scenic Acres, my own community, we then very quickly come to the city limits. We run into the - I'm not sure exactly what you call it - sort of rural community of Bearspaw. There is an area that deals in here with intermunicipality planning, Intermunicipal Development Plans, division 4 on page 55, but I do have to wonder how some of the problems that I anticipate coming forward in the not too terribly distant future will in fact be resolved.

Unfortunately, Calgary and in fact Edmonton and other areas have had their regional planning commissions dissolved as of - I can't remember whether it was February 1 or March 1, but as of earlier this year the regional planning commissions were dissolved. Now, the regional planning commissions were to look not just at the municipalities but in fact to larger areas and ensure that across a certain zone there was some uniformity in terms of standards and in terms of development.

One of the issues of concern, for example, that I've heard is from a constituent on a small acreage that is actually now in my constituency of Calgary-North West, and he has a problem in the location of a garage. The rules were under one set when he was in the MD of Rocky View, just outside of what was then the city of Calgary boundaries. Now that he's inside, he wants to build a garage, but he cannot build it in front of his house on his small acreage where he is. I forget the name of the street. I see the member listening intently across the way. He's right near the Crowfoot driving range in my constituency. So one of the difficulties he faces is that the rules change whether he's inside the city or outside the city.

In the not too distant future, as the city of Calgary limits continue to move I presume farther westward and perhaps farther northward as well, in a northwesterly direction, and we begin to encompass, for example, the Bearspaw area, I anticipate there'll be some potential difficulties in that area as well. I'm not sure how those are going to be resolved because the residents of Bearspaw have for the most part two-acre and four-acre parcels, that as the city grows around them will be a bit of an anomaly compared to other areas. The Tuscany area, that is being developed in the western part of my constituency today as we speak in fact, is going to be a regular subdivision with houses fairly close together.

I know that all across the city of Calgary there are these little anomalies where someone has kept the old farmstead, the original house, and perhaps an acre or half an acre or some patch of

ground, and there it sits as this little anomaly. The closest one, for example, that I can think of is right near the Crowchild Inn on 53rd Street, just sort of kitty-corner from the Crowchild Inn. A fellow there has got – I'm not sure – half an acre. [interjection] Well, he's got some land anyways, much larger than a regular lot, a couple of horses, which is not normally considered to be appropriate within the city of Calgary, yet here he is well within the city limits. Now, that's one example, Mr. Speaker, that I think could be strengthened with better regional planning. My concern is not that fellow that I just referred to but what's going to happen perhaps in a few years' time when Calgary grows farther westward and we incorporate Bearspaw and we go perhaps a little north and we incorporate that other area with the Bearspaw golf course and the condominiums that have been developed there, all of which are sitting right on the edge of the city limits right now. What will have to happen is some really good planning.

Now, the regional planning commission, I'm disappointed to say, has indeed ended. There is a section in here – it's called division 1 – a whole section, 602, and it goes on and it says that regional planning commissions may in fact be established by the Lieutenant Governor in Council. So obviously a question that I have to ask at this point is: if this legislation is permissive in allowing the creation of regional planning commissions, why did we have to abolish the ones that were there in the first place? Then my second question that deals again with the issue of regional planning commissions is: how will they be funded? It's one thing to say that the Lieutenant Governor in Council can create something, but of course the operation of these regional planning commissions takes some dollars to finance and to operate.

The Calgary Regional Planning Commission operated down in southeast Calgary just off Blackfoot Trail. I sat in on a couple of their meetings. They had an executive director. They had a board of which members of Calgary city council were a part. There were representatives from Canmore, Cochrane, surrounding communities for quite some distance there to try and do some overall planning. My fear, Mr. Speaker, is not so much with respect to the city of Calgary, because the city of Calgary is a large municipality, a large corporation that has indeed significant financial resources. My concern would be for some of the smaller communities bordering Calgary. For example, in the constituency of Three Hills-Airdrie there is Airdrie as a community. Will they have the financial resources to set up their own planning commission? Then Calgary, down the road, has theirs and perhaps Strathmore over here has another one and Canmore and so on. The smaller centres I think are more likely going to be negatively impacted by the abolition of entities like the Calgary Regional Planning Commission. I like the idea of the regional planning commissions that we did have. I guess I'm saying that I'd like to see something like that come back in again.

4:10

Mr. Speaker, just another area that I want to touch on briefly. I've mentioned the issue of intermunicipal development plans, and that certainly addresses the area of Bearspaw, that is immediately to the west and actually is in the constituency of Banff-Cochrane, at least for the moment. Who knows what boundary changes we'll see coming forward. But there is a section in here entitled General Provisions, and it talks about how statutory plans are to be created, what requirements there are upon a municipality to do this or that, requirements upon developers within that statutory plan, and so on.

Within my own constituency, because of the rapid growth, there have been a number of concerns that have risen. Now, I know there is a section in here with respect to an appeal board. The

establishment of the appeal board is in section 628. Certainly we have to have an appeal board, because circumstances change, development corporations run into financial difficulty, some of them go bankrupt. For example, there was a corporation that did much of the development in the Scenic Acres community that did go bankrupt, and that was taken over by another corporation. So things do change.

One of the concerns that I have, though, is that an area plan is developed for a community or for a portion of a community and people come in and purchase their lot or their property based on what they see before them at that time. The difficulty that happens is: what they see on the realtor's or the developer's area map may not be what in fact is being proposed in a year's time or a couple of years' time down the road. I guess what I'd like to see is some firming up of those general provisions in terms of ensuring that what people are told when they buy a lot is what they get when that area is developed.

In particular, for example, in the community again of Scenic Acres there's been quite a controversy – and I believe it's before the development appeal board in Calgary this afternoon – with respect to a piece of property that is referred to simply as the farmland right now at the end of Westchester Estates in my constituency. This is a particular patch of ground that has gone back and forth. Marquis Scenic Acres Development Corporation is before the development appeal board right now. One proposal had apartments going in, the next proposal had condominiums going in, the next proposal had duplexes going in, upper-end duplexes, but the original plan called for R1 family housing, which is a significant change. I guess what I'm saying is that if the original plan that was proposed was carried through to its logical conclusion, then much of the appeal and the angst felt by people in that area might be resolved.

In particular, with respect to the appeal board, there is a section in here that I think does raise some particular concerns, and that is in section 654(2), that says:

A subdivision authority may approve an application for . . . approval even though the proposed subdivision does not comply with the land use bylaw.

In other words, we're going to create a set of rules, and if the subdivision authority says, "Well, for whatever reason – X, Y, Z reasons – we've changed our mind, and we're going to exempt ourselves from that set of rules . . ." [interjection] Okay; I'll go with A, B, C. If they're going to exempt themselves from that set of rules, then they may do so if they choose. I have some concerns with that because that I think is exactly the kind of situation that leads to confrontation between homeowners in an area and a developer who comes in with a different idea.

So I'm pleased to see this coming forward overall, Mr. Speaker. I think there are a number of other concerns that other members have spoken to. I'll stop my comments there. I know that the Member for Calgary-North Hill will be responding in due course.

Thank you, Mr. Speaker.

[Motion carried; Bill 32 read a second time]

Bill 34 Electric Utilities Act

[Adjourned debate May 2: Mr. Renner]

THE ACTING SPEAKER: The hon. Member for Medicine Hat.

MR. RENNER: Thank you, Mr. Speaker. I understand that I only have about four minutes left, so I'll keep my comments brief.

Members, if I could have everyone recall what I was talking about when we last discussed this Bill. I was talking about the fact that we were creating an environment where the competitive market can dictate the cost of energy in this province. At the same time I was talking about the fact that the city of Medicine Hat is one of those municipalities which is excluded from this Act and is allowed to carry on business as it has in the past. Some of the hon. members asked me in the past few days if I was not being a little bit illogical in my argument: on one hand I'm saying, "Private sector is the way to go," and on the other hand I'm saying, "Except for Medicine Hat, I want to keep it the way it was"? So I want to very briefly address that, because I think it's very important.

[The Deputy Speaker in the Chair]

The fact of the matter is that I do believe in a competitive environment, and I do believe in the free market system. I also believe in the intelligence of the taxpayers and in the intelligence of the people in Medicine Hat to see what the competitive environment is doing. Certainly the people in Medicine Hat have every opportunity, through petition and more importantly through elections every three years, to very clearly indicate to the city council in Medicine Hat whether or not they wish to continue to do business in the historical manner. Certainly should the competitive environment prove to be more economical, prove to be a better way of handling the production of electricity in this province, I have no hesitation in saying that the people in Medicine Hat will very quickly give instructions to city council that they wish to pursue alternate means of achieving power within that city. So I don't see that at all as being illogical or contradictory.

I want to say that over the past few days I've been in very close consultation with officials in the city of Medicine Hat as we discussed various aspects of section 45 of this Bill. While there were some concerns with interpretation, some concerns with the specific wording of section 45, I think everyone understands exactly what the intention of this section of the Bill is, and for the most part there was general consensus and general agreement on the necessity of section 45.

I'm very pleased that the minister has issued today a press release indicating that she will be entertaining an amendment to this section. I worked with representatives from the city throughout the weekend with respect to that amendment, and I will be more than pleased to discuss the details of that amendment when we get to committee stage of the Bill. I don't think it's appropriate to be debating the amendment at this point in time.

So with that, Mr. Speaker, I will take my seat. I urge all members to support this Bill at second reading stage because I think it's important that we do have an opportunity to debate the amendment that the minister is proposing, and we can only do that when we get to committee stage of the Bill.

Thank you very much, Mr. Speaker.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Whitemud.

DR. PERCY: Thank you, Mr. Speaker. I rise to speak to second reading of Bill 34. I'll focus on the principles of the Bill.

It's interesting when you look at how the regulation of electric utilities has proceeded in this province, particularly the introduction of EEMA, which was I think at the time it was introduced an effort to try and ensure balanced growth during a period of very

rapid growth, an effort to on one hand ensure that low cost generation was brought on line and on the other hand to ensure that there was a common power rate throughout the province during this period of rapid growth.

I think many of the issues that had emerged related to concerns of a cross-subsidization. What was seen as fair from one region's perspective or one service area's perspective was seen as unfair by another. Much of the debate had the potential to balkanize the province and to pit region against region, service area against service area. There are some issues that can really cleave a province, certainly the issue of electricity rates, the notion of cross-subsidization. Regional outrage I think is one issue that could balkanize a province at a time when there's a lot of economic uncertainty with regards to interest rates, exchange rates, potential concern over the direction of federal government policies, provincial government policies, concern over what the province of Quebec may do. So to introduce an issue that, as I say, can cleave the province into various groupings I think is something one has to be concerned about.

4:20

What Bill 34 attempts to do, though – and I support the principles of Bill 34 – is to ensure that the province still has access to the lowest cost generating capacity possible, and it attempts to do so in a way that doesn't involve additional cross-subsidization. What it attempts to do in the principle is grandfather the existing capacity and in a way that is forward looking ensure that the least cost capacity that comes on line can enter the grid.

The issue that has delayed somewhat debate on the Bill has of course been the role of municipally owned utilities, in particular Edmonton Power but to a lesser extent utilities in Medicine Hat. What the minister has attempted to do with the amendment and the principle embodied in the amendment is somehow ensure that there is a level playing field. That has been in one sense the nub of the debate: how can you ensure that the additional capacity that is brought in line is brought in line by the least cost producer, absent any tax advantages or any special advantages that might accrue from government or municipal ownership? So what the amendment attempts to do then is embody a principle, the equivalent of Ombudsman, who will ensure that there are no tax advantages or any other financial advantages that may exist as a result of municipal ownership in terms of assessing what is the least cost capacity that in the future can enter the grid.

When I look at the amendment and I look at debate, it goes certainly a portion of the way to addressing some of the concerns that I have. I think the real issue is that of a level playing field. If it can be demonstrated that the parties involved have a true economic advantage in terms of providing additional capacity at the least cost, abstracting from financial advantages that arise from the structure of ownership, then I think the Bill, to the extent that it embodies that principle, ought to be supported. That is the fundamental principle: absent advantages that come from ownership, particularly municipal ownership, tax advantages, access to the tax base, removing that from the equation, and then assessing which member of the power council has the least cost potential, the least cost advantage in terms of additional capacity.

I think the Bill and the proposed amendments really do focus on the issue of a level playing field and move us away from that prohibition that appeared to be in place, which was that government ownership per se would exclude additional capacity. If you carry that to its logical conclusion, it does lead you to question Treasury Branches in particular and other forms of ownership

where the government is actively involved. So this Bill puts it I think in the right perspective once these amendments go through. Now, it's clear that having just seen the amendments for a short period of time, one has to assess in greater detail whether or not they truly allow and ensure that the level playing field is respective, but certainly in a preliminary perusal they appear to point in that direction.

Now, one other area I'd like to address in my comments does concern, though, the extent to which there is now proliferation of various councils. We'll have the power council, we'll have the transmission council, and then we've still got the AEUB out there as well. One wonders why some of the duties that are going to be assigned either to the power council or to the transmission council can't at least be assumed by the AEUB.

Also, one other issue in terms of principle I think concerns ensuring whether or not there's a level playing field. Again in part one would think this is a function that could be assigned to the AEUB. If there's going to be some body out there that says, "Well, does the additional capacity, does the new capacity from Edmonton Power compete on a level playing field?" abstracting from any tax advantages, et cetera, one would have thought that the economic expertise and ability would have been within the AEUB to assess whether or not the potential success of an Edmonton Power bid for future capacity was driven more by tax advantage related to local ownership as opposed to having the least cost generating capacity related to its coal reserves, the location, and what have you. So I would have thought the AEUB somehow – it's in the Bill – could have played a more prominent role, particularly in the notion of what is a level playing field. One would think that if you want consistency through time, you'd like to have these types of decisions focused within one particular group.

Now, it's clear that the proposed amendments don't exclude that outcome, but it's not prescriptive in that sense. One would have thought: why have the AEUB unless you're going to use it exclusively, or some component of it? Certainly in terms of the principle, though, of having an independent tribunal or some mechanism to assess a level playing field, I support it wholeheartedly. Certainly from the quick review we've been able to do with various stakeholders, there seems to be support for that from Edmonton Power. The hon. minister has circulated the letter from the president. That letter seems to be pretty conclusive from my reading of it. I know colleagues have talked to other stakeholders, and there appears to be some degree of significant support for the proposed amendments.

So in terms of the principles of moving away from EEMA, moving us away from regional disputes about the notion of cross-subsidization, and in terms of ensuring that Albertans have access in the future to incremental capacity that is the most economic, I think the Bill goes a significant, a long way towards achieving that. There is the issue that we're starting to create a number of bureaucracies: the power council, the transmission council, and the AEUB. I'm sure that there are reasons why we'll have the transmission administrator and the power council. There does appear to be a little bureaucratic gridlock starting to emerge with regards to the regulation of electric utilities. I would like to hear some discussion of those issues when the member who introduced the Bill discusses it.

The other issue is with regards to EEMA. Clearly, the grandfathering does protect a significant portion of the economic value of the assets of Edmonton Power and those of Medicine Hat. The amendments also appear to ensure, then, that refurb-

ished capacity – and this is an issue of principle that had emerged from the context of debate about: although there is a May 1, 1995, date, what about refurbished capacity? Where does that fit in? Can it enter the grid when it's refurbished and have access to the grid? Those issues I think have to be addressed in more detail.

Also, the amendments as introduced – and this again will require more time on our part to assess them, having seen them only for a half hour – do now treat Edmonton and Medicine Hat differentially. Certainly the amendments with regards to Medicine Hat appear to allow it to engage in joint ventures so long as the service area in the joint venture that they're entering, the additional capacity that they're entering into doesn't exceed the demand within that region, is how I read one of those amendments.

By and large, many of the concerns that I've had about the Bill have been addressed. Rather than speaking extensively to the Bill for 20 minute bouts ad nauseam, I'll just conclude my comments by saying that I think there's been significant improvement. I think that one can't reject the principles of competition on a fair and open playing field, and the proposed amendments ensure, then, that all parties can compete on an economic basis for incremental capacity as it's required within the province.

So with those comments I'll close.

4:30

MRS. ABDURAHMAN: Mr. Speaker, speaking to the principles of the Bill, I certainly can support that principle. The government obviously was influenced to depart from those principles when the Bill finally was tabled in this House. That concerns me, why that happened. Either there was a total misunderstanding that indeed the stakeholders were agreeing or disagreeing – and I have some reservations if that was the case. Looking at all the information that's been shared over the past number of days and hours, it would appear that Alberta Power was the one that for some reason was holding out. One has to ask the question: why indeed did Bill 34 not follow through on that very basic principle of openness, fairness, and a level playing field? As I stated when it came to the Municipal Government Act, too often you see political interference because of significant lobbying from certain sectors, and quite frankly I think this is what has happened. Fortunately, in this instance we've been able to catch an unfairness that was happening in the province of Alberta, particularly to municipalities who have utilities, and because of the role of the people who wanted to make sure it was a level playing field, we're now seeing amendments being proposed to be brought forward at Committee of the Whole.

I certainly will have a level of comfort that is long overdue in seeing EEMA being finally put to bed. I can remember well, Mr. Speaker, when EEMA was being debated before its introduction and sitting at a table with a previous Progressive Conservative government and asking them in essence what they were doing by socializing the whole utility delivery system. The Premier of that day was appalled that the mayor of the city of Fort Saskatchewan could suggest that this was socialism by any name, and that in essence was what it was. From the day that it was introduced, it was unfair, it was a disadvantage to economic growth in this province, and it was a wrong, wrong philosophy.

So, Mr. Speaker, I was getting very concerned when I saw the debate unfolding over Bill 34 and that level playing field indeed not being there. There seemed to be a closed-mindedness of the Minister of Energy when the municipalities were saying: "Well, tell us. What are the rules? You indicated the rules in Bill 34. The principles were openness, fairness, and creating a level

playing field. Now, the Bill that's being tabled indeed doesn't do that. discussion didn't go on prior to the tabling of this Bill.

I would like to say that when you look at that principle behind Bill 34, if indeed the amendments had not come forward and this Bill had moved forward, I would suggest that the message that would have been going out to municipalities through this Bill would have been devastating. There are many areas, Mr. Speaker, where government-owned utilities indeed are the most cost-effective when it comes to creating what you like to call the economic advantage, the attractiveness for investment. I mean, if you don't have your infrastructures – whether it's sewage treatment, adequate water supplies, a good infrastructure for highways. They're examples where we know, I believe, the people that best can do those things are indeed the municipalities. You know, they've been experimenting in Scotland with attempting to privatize water. It looks as though it's going to be a total disaster.

So where it's a suggestion that municipal governments have a right to be in the utility business, I would say: hey, whoa up. If you really believe that the private sector can do everything and be efficient, that's nonsense. Here was an example where they were suggesting that a utility that was publicly owned was so efficient that it was going to skew this level playing field. I mean, there you are stating that a municipality can actually produce that utility as cost-effective as the private sector.

Looking at the fact that there are amendments coming forward, I'm looking forward to that debate, ensuring that those amendments indeed do the job that will create that level playing field, that Edmonton Power and Medicine Hat indeed are playing by the same rules, that they will be allowed to enter into new generation.

I also have to ask the question, through the Speaker's Chair to the minister: is there going to be a commitment by this minister before we even debate these amendments, when they come before this House, that the government will sit down with the Small Power Producers Association of Alberta? You know, the question's been asked in this House, but it's after the fact that you're agreeing to meet with them. That's insulting. I think you do a disservice to these Albertans that have been involved in producing power. This is private energy. Whether it's wood, water, wind, or whatever kind it is, surely you owe the decency of sitting down with them, following the principles of Bill 34, and telling us, Mr. Speaker, where indeed these small producers are going to fit in to this whole picture. That's key. I don't think I like the kind of government that will sit with the big power brokers, the multinationals, and yet the little guy is left out until after the fact, and this is what we're seeing happening here.

You know, you look at the resolutions that they've brought forward, and there's a lot of time being spent on these resolutions, and they've been forwarded to members of this government. Well, have you dealt with these resolutions that we unanimously carried, and have you gotten back to these producers and told them what your position is with their proposition? If you haven't and we move forward to Committee of the Whole, once again I say that the little man or woman out there, the average Albertan, is not being treated fairly. These letters have been copied to the Premier, they've been copied to the Member for Pincher Creek-Macleod, and I believe other MLAs have also been copied with these letters and resolutions. So, Mr. Speaker, I would sincerely hope that indeed that meeting takes place before we start to deal with these amendments.

Like the Member for Edmonton-Whitemud I see a trend happening that I thought we were trying to get away from, and that is the bureaucracies that are being created out there, whether

it be in this piece of legislation or other pieces of legislation that this government's bringing forward. Quite frankly when I look at some of the regional health authorities and I look at the middle management and the bureaucratic things that are happening, I think we're reinventing the wheel, a wheel that bears the same faults that previous Progressive Conservative governments had. This is what's happening here. Why do we need all these councils and boards? Is this another way, like Bill 41, to create these administrative entities so that if you can't lend money from the provincial government to your political friends, you create these commissions and councils? That's what it's looking like. And you know what happens, Mr. Speaker? They mushroom. They're like a cancer: they grow. We're going to see more public money spent on unnecessary areas. So I firmly believe that has got to be dealt with.

4:40

EEMA certainly pitted one part of the province against another. Whether it be Calgary, the Red Deer area, northeast Edmonton, the industrial growth was viewed to be curbed because of EEMA. So the quicker we can deal with the inequities that happen in Bill 34 and get this legislation passed and repeal the legislation that put EEMA in place, the better for the province of Alberta.

So, Mr. Speaker, with those comments I look forward to debating the amendments that'll appear before Committee of the Whole. Thank you.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Glenora.

MR. SAPERS: Thanks, Mr. Speaker. I'm pleased to be able to rise at this point in the debate, second reading, on Bill 34, the Electric Utilities Act, which I think could more properly be titled the Let's Punish Edmonton for Profit Act.

That being said, let's take a look for just a minute at what Edmonton Power is and explore what would happen to it if this government had its wish. Edmonton Power is in fact the second largest generator of electrical energy in this province, 800 megawatts. [interjections] Mr. Speaker, the members on the other side are claiming to have received some printed material, I think it was, but it's clear from the Bill that they didn't read it. Let's get this on the record.

This being the second largest generator, right behind TransAlta Utilities, they've paid close to \$40 million a year in municipal taxes over the last number of years. In spite of doing that, their operating costs per kilowatt fell from 4.2 cents to 3.4 cents. This is a remarkable record. In 1993 Edmonton Power produced over 14 percent of Alberta's electricity requirements and served in excess of a quarter of a million customers.

Now, Bill 34 excludes Edmonton Power from building and owning new generation for provincial needs. It strands \$40 million in commissioning costs for the third Genesee unit. Genesee, of course, was approved by the ERCB in November of 1980. Construction started in . . .

MR. RENNER: Point of order, Mr. Speaker.

THE DEPUTY SPEAKER: Hon. member, a point of order has been called.

Medicine Hat, you are rising on a point of order. Would you care to share the citation with us before you proceed?

Point of Order
Second Reading Debate

MR. RENNER: Relevance, 23(b). Mr. Speaker, I gave the Member for Edmonton-Whitemud the benefit of the doubt when he was spending the majority of his time discussing an amendment that in fact has not been introduced yet. However, it's a rather unusual circumstance, and I understand that he could discuss the implications of such an amendment. The member now entering debate is debating and reading the speech that he must have prepared yesterday, because in light of the discussion that Edmonton-Whitemud had, everything that the Member for Edmonton-Glenora is talking about is really redundant based upon the discussions of the proposed amendment. I really think the member is wasting our time. While he is on the topic of the Bill, I had earlier urged members to support this Bill to get it into committee so we can discuss the amendment.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Glenora in reply.

MR. SAPERS: Thanks, Mr. Speaker. I think the Member for Medicine Hat does protest too much. I did not talk about the amendment. I haven't mentioned the amendment. I'm talking about the principle of the Bill. This is second reading and perhaps he forgot. I'm talking about what the Bill would purport to do and what the impact would be. I believe that's perfectly consistent with second reading, and I'm talking in fact about Edmonton Power, one of the stakeholders. I'm talking about the . . .

MR. RENNER: Circumstances have changed.

MR. SAPERS: Mr. Speaker, there is no amendment before the House, and I think Medicine Hat can't have it both ways. We either, at this stage of the Bill, are talking about the principle or if something is going to happen and they're going to pull second reading or go to closure on it so we can get into committee, then perhaps the government ought to just get on with it. But at this point I would like to proceed with second reading on this Bill.

THE DEPUTY SPEAKER: The hon. Member for Medicine Hat has raised the issue of relevance, which, when one refers to 23(b)(ii), is "a motion or amendment the member intends to move." I didn't get that understanding from them, although there have been moments in a couple of members' comments on this Bill that caused them to vary at interesting angles to the principle of the Bill. Although I'm sure if they were questioned, they might have assured me that it was relevant. There is no amendment before the House, so relevance, then, to that is just truly not an issue. The Chair often grants rather wide-ranging debate as long as it's on the principle of the Bill, and if Edmonton-Glenora would continue to address that part of this part of the debate, we'd all be the better.

MR. SAPERS: Thank you for that ruling, Mr. Speaker, and I know that all members, particularly from Medicine Hat, will have paid attention to those wise words.

Debate Continued

MR. SAPERS: Speaking of principle, what we have is in fact a clash of principle, Mr. Speaker. We've got a discussion about which principle is paramount. Is it the principle of local decision-making, or is it the principle of government being out of the

business of being in business? Is it free enterprise, or is it trust in the taxpayers of this province? The way that this government resolves a conflict of principle of that magnitude of course is to become bullies, to ignore the wishes of Albertans, to ignore the stakeholder consultations, and to try to force through their own agenda. That is not the way that members of this caucus, the Liberal caucus, would resolve a conflict of principle. So while we're talking about principles, it would be nice if this Bill had proceeded with some in tact.

MR. DINNING: You never have a conflict, Howie. You don't have a conflict because you have no principles.

MR. SAPERS: Now the Treasurer is chirping again from his seat, Mr. Speaker. I can't tell whether he wants to enter debate or whether he's just - oh, he doesn't want to enter debate, he's indicating. Fine. Then I'll continue.

I believe I was talking, before I was interrupted, about Edmonton Power and when Genesee was first commissioned, when it came on line. I think it's worth noting that the assets that would be stranded by Bill 34, the losses that would accrue to the city of Edmonton include over 300 million tonnes of coal reserves in a joint venture with Fording Coal, a good private industry company. There's just under \$1.9 billion in assets, including property, plant, and equipment. Mr. Speaker, Bill 34 would discriminate and devalue all of that. Bill 34 would potentially devalue the city of Edmonton's investment in Edmonton Power, would deny the lowest possible cost to consumers not just in this city and not just in northern Alberta but throughout the entire province. Assets at the Genesee power generation plant itself include coal handling facilities, coal rights, and draglines, which would not be used to their fullest potential, which of course would be bad business, and I would expect a business-minded government to recognize that.

Fording Coal along with the other strategic partner, WestCoast Gas services, who purchase gas on behalf of Edmonton Power, would be adversely affected and so would jobs and so of course would that part of the tax base. In fact, all Alberta consumers would be affected as the lowest cost option for new coal generation is Genesee 3. All Alberta consumers would ultimately have to pay higher rates if Bill 34 was to proceed in its current form, and this would not be good for this province, and in fact it would be very negative. I'm happy to note that TransAlta Utilities has just arrived at that conclusion themselves.

Now, Mr. Speaker, the way that the government has proceeded is of course troubling, because if we go back and we take a look at some of the comments made over the last couple of years by the Minister of Energy, we get an entirely different picture of how it is that this government was intending or at least was purporting to proceed with the elimination of EEMA and the development of a new contract for power generation and transmission. I quote from a government of Alberta news release dated March 25, 1993, and I'm quoting the hon. Minister of Energy: our goal in reviewing EEMA is to achieve the widest possible consensus among utility companies and other groups that could be affected by changes to the legislation; we are pleased that the utility companies are making progress in their discussions; we have reminded utilities that any proposals they bring forward to the government must be generally acceptable to other stakeholders. Well, now we have two stakeholders, Edmonton Power and TransAlta, who say that they're not acceptable.

4:50

Mr. Speaker, again in *Hansard* of February 28, 1994, the Minister of Energy made these comments:

I made a commitment last year that I would not proceed with something that was not right and I still hold to that . . . I made it perfectly clear that there were two basic principles that had to be involved in an electrical policy in this province: one was efficiency of the system, and the second had to be fairness . . . But I will say this: I will not come forward with a policy that does not have fairness and efficiency built into it.

Yet that's exactly what the minister did. That's exactly what this Bill is. It is not efficient. It is not fair.

I do look forward to the amendments that the government has been talking about. Of course we haven't seen them. What's to make us think they wouldn't change their mind again? We already know that Bill 34 has gone through several, several drafts. Who knows what we'll finally end up with at committee, Mr. Speaker?

Again we have the Minister of Energy saying in another new release on the topic, October 18, 1994:

The discussions these past months were not easy. But in the end the Steering Committee members were able to come to a consensus view. They have done so in the interests of what is best for all Albertans.

Well, then why would that consensus view, which was best for all Albertans, be ignored in Bill 34? Mr. Speaker, maybe it's been ignored because it didn't suit the government's own interests. Maybe those are the interests that were being protected.

If we look at the Minister of Energy again – and I'm quoting now from a newspaper article that appeared in the *Edmonton Journal* on May 3, where the Minister of Energy is quoted as saying:

The challenge has to go back and the onus has to be on Edmonton Power to come back with that framework . . . and we'll look at that.

Of course, the minister was referring to the framework for what would be the level playing field.

Well, what absolute nonsense. What hypocrisy. This is the government that has produced Bill after Bill after Bill after Bill of major, major impact, of major social change, and all of those Bills are really little more than shells, leaving almost everything to regulation. Yet in this one case – in this one case – the government says: oh, put it on the table for us and we'll put it into legislation. This is hypocrisy elevated to a new height. I didn't even think this government was capable of that degree of duplicity, Mr. Speaker.

We finally have a comment, you know, with the Minister of Energy wanting to place this reverse onus clause on Edmonton Power. I know that the Member for Calgary-Shaw will understand reverse onus. Would you explain it to Calgary-Mountain View? I'm not sure he got that. It's onus, reverse onus. Mr. Speaker, when the Minister of Energy says to go back and put the onus on Edmonton Power, how does that reconcile with her comments in *Hansard* of April 22, 1993? The same minister talking on the same topic said:

They came back to me, the four major stakeholder groups, in a joint letter and said: we believe that without government intervention, we can come to a consensus for a new structure and model for the delivery of electrical power within this province.

Well, what happened to that commitment to letting the stakeholders reach a consensus? What happened to that? Well, obviously, it was all cast aside by the government's own agenda.

There's been talk that there'll be an amendment, and that's great. We'll have an amendment. Maybe that amendment will truly be in the best interests of all Albertans. Maybe it will reflect that original consensus. Maybe it won't. At the appropriate time in debate we'll be able to address that question.

But it's important to note that Edmonton Power is willing to play by the same rules as other regulated utilities in bidding for new generation. They will accomplish this by paying taxes or an equivalent levy on the same basis as all investor-owned utilities. They will do this by agreeing to not have any recourse to the taxpayer, to not cross-subsidize, and to factor in to any bid that possibility. They will do this to continue to obtain financing through the capital markets, not relying on the tax base at all. They never have relied on the tax base. They have gone to capital markets. Of course, anybody who says anything to the opposite is misleading. They have agreed to not receive any greater preference or subsidies than investor-owned utilities. Mr. Speaker, I don't think anything could be clearer. I don't know what more the Minister of Energy or her colleagues on the front bench of the government could be asking for.

Now, I will look forward to the debate on the amendment, particularly because as I understand the intent of the amendment, once we get past this stage into the next, it will be correcting a deficiency that was in the original Bill. The government has admitted, of course, that it has made a mistake. It has admitted that it went too far too fast and perhaps it was catering to too narrow a set of interests in the version of Bill 34 that was presented in this House. Maybe it was overall just a mistake, Mr. Speaker. Maybe they just got the wrong version printed up and distributed. Maybe they'll be correcting that soon. Let's hope so because that would certainly be in the best interests of all Albertans. This is not just an issue that affects Edmontonians. It's an issue that affects all Albertans and all those that have a concern about the future competitiveness of the business environment, the business climate, in this province.

Thank you, Mr. Speaker.

THE DEPUTY SPEAKER: The hon. Member for Fort McMurray.

MR. GERMAIN: Thank you very much. Mr. Speaker, every weekend when I go home, traveling across the wonderful transition from farmland to forests north of Lac La Biche, meandering along following Highway 63, I'm again reminded that the constituency that I represent is a northern isolated community: Fort McMurray. It is also a community that pays the highest utility energy costs in the entire province. That's what Fort McMurray does: it pays the highest utility costs in the province.

Now, while we're all happy with burying EEMA, I want to point out to all members of this Assembly that that program, warts and all, with all of its perceived flaws, did create an awful lot of the economic stimulus in northern Alberta that generated power and that caused some advantages for all of Alberta, including the southern areas and particularly the hon. Provincial Treasurer's empire in Edmonton, which sits there on a daily basis and collects the taxes and enjoys the revenues that flow from the economic stimulation in northern Alberta.

The bottom line, Mr. Speaker, is that conditions in the northern part of this province are harsh. The winters are long, and although it is a land of vast beauty and vast opportunity, it is a land where it seems that as you travel across the northern province, you always find areas in the north that pay more: pay more for their gas, pay more for their power, pay more for their water.

Now, against that backdrop, Mr. Speaker, the mayors from northern Alberta sat down and dealt with the Minister of Energy and listened to the Minister of Energy as she gave assurances to them that with the gentle phasing out of EEMA and the reintroduction of the new program, the Electric Utilities Act, and

the mandate that it had, power bills would at least, if not go down, not rise dramatically. We are hopeful that that will continue to be the case in the province of Alberta, but the trends of the last couple of weeks have been of some trouble and have been troubling to us.

I want to suggest a couple of scenarios that perhaps Members of this Legislative Assembly haven't wrapped their minds around when we look at the recent power war that has erupted in this province, and that has been for the most part an unnecessary power war. First of all, Mr. Speaker, if Edmonton Power was to be forced into a privatization model and if they elected to amalgamate with TransAlta Utilities, that would mean that the power supplier for most of northern Alberta, including the area that I come from, Alberta Power, would be marginalized as a power supplier in the province of Alberta, and as a result we would have in fact a loss of competition and not increased competition.

Scenario number two, Mr. Speaker, is that the mayor and the councillors of the municipality of Wood Buffalo, radiating out from and around the city of Fort McMurray, have a goal and they have a view for the people of their area. That goal and that view is to obtain power at the absolute cheapest price for all of their residents. That is their goal as municipal officers. They were therefore distressed to hear that the potential ability to purchase power from Edmonton Power will be missing if the amendments and the interpretation of the amendments and the interpretation of the Bill do not go through.

5:00

So I would like to raise in this particular Legislative Assembly that irrespective of whether or not Edmonton Power can come under the new guidelines that the minister proposes, it seems to me that municipality dealing with municipality should have the right to go to their municipal cousins and say: we'd like to buy some of your low-cost electricity. We don't have a political agenda here. We're not interested in whether we have free enterprise or whether we have a mixed bag of regulatory free enterprise. All we know is that if we can buy a kilowatt of energy at a lower price, we want to buy it that way. Why do we want to buy it that way, Mr. Speaker? Because in northern Alberta and in the area where I live, people pay the highest power bills in the province, and they want to minimize the rate at which those power bills increase. That, I think, is a legitimate goal of any municipal district.

One of the issues I want to raise on the floor of this Legislative Assembly is that irrespective of whether or not Edmonton Power can meet the, quote, unquote, free enterprise target that the government wants to set for them, it would be very beneficial if the Members of this Legislative Assembly allowed municipalities like Edmonton Power to sell their power to other municipalities for their municipal needs. On that basis you're dealing municipal government to municipal government. That should be encouraged by the minister and not discouraged.

Now, I don't want to spend a lot of time this afternoon, Mr. Speaker, but for a Bill that talks about free enterprise, this Bill gets off on a very, very weak footing. I'm not talking about the Edmonton Power issue, because others have spoken much more eloquently than I on what has happened to Edmonton Power over the last few weeks. I think all members of this Assembly should take a look when they walk home tonight. They should clutch this Bill, Bill 34, in their hands. They should fondle the pages. They should particularly stop their fondling and start their reading on

page 11 of this particular Bill and read with some amazement this section, section 4:

No action may be brought against the Crown claiming compensation for any real or perceived loss or damage resulting from the coming into force of this Act.

Now, I don't know how the Member for Barrhead-Westlock or the member from Grande Prairie or the Member for Drayton Valley-Calmor feels about this, but I would have a hard time going back to my constituents and saying: this is the type of legislation the province of Alberta puts out.

The minister has stated and has indicated that this Bill will be beneficial for all Albertans. She said it in all of her press releases. She said it in all of her chat about that. Why can't people who can prove that they've been genuinely aggrieved by this particular section bring forward some kind of compensatory case? If some business is forced out of business because of the actions of the government in this legislation and if the minister wants to curtail litigation, perhaps we can have some qualifiers. But to take away the right of any person to litigate in the courts against the government on the supply of a regulated service seems to me to be a step backwards. Frankly, if this Bill is as good as sliced bread, then why don't we let people eat it and eat it in the courts by being able to bring forward their grievance if they have one?

We are talking now about free trade and a free enterprise government, Mr. Speaker. I don't get very far past section 4 on page 11 when I come up against this section. I'm sure that this is a section that will interest many Albertans who thought they were, using the Premier's words, quote, unquote, part of the Alberta advantage. It says:

A person wishing to obtain electricity for use on property must buy the electricity from the owner of the electric distribution system in whose service area the property is located.

Well, I go back to my original scenario that if Edmonton Power was, for example, acquired by TransAlta and Alberta Power could no longer compete favourably, would the residents of Fort McMurray and the residents of Grande Prairie be forced to buy expensive power simply because the minister's idea of privatization and how it's going to break out in this province haven't been achieved? Why shouldn't an individual be able to properly buy power from whomever they want to buy it from with appropriate rules?

Now, that brings me to my next commentary, Mr. Speaker, and that's an issue that's unique to Fort McMurray but not exclusively unique to Fort McMurray; that is, that we have oil sands plants in that area that also generate power. They have the resources, the technology, the capability to pick up power and generate power often on almost a free basis because they are burning off products that are otherwise not marketable as by-products of their particular operation. Now, in that particular case, why should those oil sands plants not be able to sell their power to other users in the system?

The minister is going to say: whoa, I caught the Member for Fort McMurray sleeping. Well, I'm aware of section 73, which allows the regulatory bodies to exempt a private producer of electricity from the implication of the Act, but surely that is a very tenuous approach. Surely if any part of the industrial base of the province of Alberta wants to develop surplus electricity, that electricity should be taken up. That electricity should be encouraged. That electricity should be marketed. To the extent that I can see a vision of the enlarged, expanded municipality of Wood Buffalo utilizing local job creators to create electricity, buying their electricity locally, and in turn creating additional job

locators, it makes me wonder just how free enterprise this particular Bill really is.

With those comments, now, Mr. Speaker, I'll yield the floor to other people who want to talk about electrical utilities in the province of Alberta. Thank you.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Meadowlark.

MS LEIBOVICI: Thank you, Mr. Speaker. I, too, would like to add a few comments to what we've heard with regards to the introduction of Bill 34, the Electric Utilities Act. I think that if there's any lesson to be learned from the introduction of this particular Bill, it's that the role of the opposition is extremely important in the Legislative Assembly. It was up to the opposition to ensure that there would be a level playing field for all Albertans, not just Edmontonians, when it came to the provision of electricity in particular in the province of Alberta, the ultimate goal being that there would be low-cost power for all Albertans.

Now, what we've seen with regards to the introduction of this particular Bill is what happens when ideology drives policy. The extreme of those kinds of things when ideology drives policy is that we get very bad decision-making. What we also have seen with the introduction of this particular piece of legislation is that it's obvious that the so-called one-vote voice from Edmonton has been ineffective in terms of ensuring that the discriminatory provisions in section 45 would not even enter the Legislative Assembly.

5:10

Now, I think that we have yet to discuss the amendments that address the concerns of Edmonton Power, Medicine Hat, and some of the other municipalities, and as was pointed out, we will have Committee of the Whole to talk about the amendments. But one of the concerns that has been forgotten is the concern of the small power producers. That concern was that the legislation not be passed until May 15. I think we would see a gross misconduct, in a sense, of this Legislative Assembly if we were to pass the legislation prior to May 15 without assurances from the Minister of Energy that the concerns of the small power producers would be addressed. If we pass the legislation before May 15, what we are in essence saying is that we've disenfranchised a whole group of individuals, a whole group of producers that have a say in this matter. May 15 is too late.

So I'm requesting that the minister make that commitment to meet with the group before May 15. It shouldn't be too hard to change the date of the meeting of the standing policy committee on natural resources and sustainable development, to perhaps have an emergency meeting. That happens in many groups, that you can call an emergency meeting to ensure that the concerns of that particular group are addressed. If not, I think the minister is saying that she is not concerned – and so is the government – with the concerns of the small power producers. I think that the minister has defaulted in her role with regards to that.

Thank you very much.

Speaker's Ruling Second Reading Debate

THE DEPUTY SPEAKER: Hon. member, the Chair has difficulty when we're in second reading with someone demanding that someone else respond – it's not the same as committee stage – and then going on to say that if you don't respond, then the

minister is saying this or the member is saying that. That's kind of putting someone in a pin when Standing Orders won't allow them to respond.

The hon. Minister of Energy rising on a point of order.

Point of Order Clarification

MRS. BLACK: A point of order under I guess 23(h), (i), and (j), Mr. Speaker. The hon. member has suggested that I have not responded to the small power producers. After that came up last week, I did check with my EA to find out if in fact there had been any requests for meetings that I had not accommodated, and in fact there had not. Each time there was a request for a meeting from the small power producers group, I in fact met with them. They have requested a meeting with our standing policy committee. In fact, the hon. chairman of the standing policy committee has already communicated that that is being accommodated. So I'd like to correct that misgiving right now.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Meadowlark on the point of order.

MS LEIBOVICI: I appreciate the clarification from the Speaker on this particular matter. I also appreciate the remarks from the Minister of Energy. The fact still remains that the meeting that the small power producers had hoped would affect the outcome of this particular piece of legislation will happen potentially after the fact.

THE DEPUTY SPEAKER: On the point of order, I think there really is no point of order; there isn't such a thing as clarification. However, on the pretext of a point of order, some members seem to rise at times and make a clarification.

[Motion carried; Bill 34 read a second time]

head: **Private Bills**
head: **Second Reading**

Bill Pr. 10 Calgary Regional Health Authority Charitable Annuity Act

THE DEPUTY SPEAKER: The hon. Member for Medicine Hat.

MR. RENNER: Thank you, Mr. Speaker. On behalf of the hon. Member for Calgary-Bow, I move second reading of Bill Pr. 10, Calgary Regional Health Authority Charitable Annuity Act.

THE DEPUTY SPEAKER: The hon. Member for Clover Bar-Fort Saskatchewan.

MRS. ABDURAHMAN: Yes, Mr. Speaker. I wish to speak to Bill Pr. 10. While I can support the intent of annuities being part of foundations and that indeed because of the restructuring of health care it then has to involve the regional health authority, this private Bill originated out of the Foothills hospital, and to some extent one has to acknowledge the level of sophistication that that foundation has grown to. I have a grave concern about private Bills in essence, I believe, beginning to set government policy. Why do I say that? The logic behind Bill Pr. 10, the Calgary Regional Health Authority Charitable Annuity Act, is that if foundations within the health care sector or foundations in another publicly funded sector wish to get into annuities using this as the

catalyst – it's saying that you need private Bills to get into the business of being an annuity. I would have much preferred seeing what the Assistant Deputy Minister of Health had suggested, that it would be preferable to look at umbrella legislation where that piece of provincial legislation could be used for annuities within publicly funded foundations. That is one point. The second point is that I really have a lot of concern about the message we're giving to publicly funded bodies in saying: you know, we don't have the moneys within the province of Alberta to meet the public need, whether it's in education, health – and I could go on – so really what you have to do is create foundations. Now, personally I think creating a foundation for that reason is the wrong way to go. I saw it happening in health units. I firmly believe, Mr. Speaker, that when you get into raising funds, it should in a publicly funded body give that extra level of education or health, an improved quality over and above what is an acceptable quality in the public sector.

So what I'm saying, Mr. Speaker, is that if this is the direction this government wants to take Albertans, I think that rather than through private Bills we should have a debate in this Legislature as to where we're going with foundations in publicly funded bodies, because quite frankly I'm very apprehensive about what's happening. I saw Bill 15 being passed, the Charitable Fund-Raising Act. Poor legislation. It was interesting to note the attention that's being paid across Canada to the concerns about fund-raising and the percentage of the dollar going to the charity of choice. I just see this whole area as needing a good public debate and not using private Bills for it. I could use the Gimbel private Bill – that's another public policy area – and what could flow from that private Bill if it came before the Legislature to get second reading.

With those comments, Mr. Speaker, I want to make it quite clear to the foundation of the Calgary regional health authority that I certainly commend them on their level of sophistication. My criticism is directed at the government of Alberta.

Thank you, Mr. Speaker.

[Motion carried; Bill Pr. 10 read a second time]

head: **Private Bills**
 head: **Third Reading**

[It was moved by the members indicated that the following Bills be read a third time, and the motions were carried]

Pr. 1 Missionary Church Amalgamation Renner
 Authorization Act (for L. Taylor)
 Pr. 2 City of Edmonton Authorities Repeal Act Yankowsky

5:20 Bill Pr. 3
Alberta Stock Exchange Amendment Act, 1995

THE DEPUTY SPEAKER: The hon. Member for Calgary-Egmont.

MR. HERARD: Thank you. It's a pleasure to move third reading of Bill Pr. 3, the Alberta Stock Exchange Amendment Act, 1995.

THE DEPUTY SPEAKER: The hon. Member for Sherwood Park.

MR. COLLINGWOOD: Thank you, Mr. Speaker. Just a couple of comments at third reading of Bill Pr. 3, the Alberta Stock Exchange Amendment Act. It would seem that the private Bill restructuring of the Alberta Stock Exchange into the structure proposed in the Bill is in contemplation of or certainly juxtaposed to Bill 31, which is reorganization of the Securities Commission.

There are two points to the Bill that just require a bit of comment that I was unable to provide in Committee of the Whole. Just to at least make mention of these, the Alberta Stock Exchange will continue to be called and known as the Alberta Stock Exchange, but the change that's occurring in this particular Bill will suggest that the Alberta Stock Exchange is available for and the objective of the corporation is to trade "in securities or other instruments." Securities has a very broad-based definition through the courts of Canada and the United States to the level of the Supreme Court, and securities has a very far-reaching definition.

We have had the introduction of and inclusion in legislation of exchange contracts, and we are at least taking on the convention of referring to securities and exchange contracts, but the concern there is that if it is not a stock exchange in the true sense of the word in that it is a forum for trading in stocks and bonds and other securities – the legislation suggests "other instruments," which obviously raises the question as to what else the Stock Exchange might be doing, if it is going to become a commodities market and so on. So I raise that because it is drafted that way in the legislation, being far broader than just securities.

The other concern I'd raise with respect to this particular Bill, Mr. Speaker, is the ability of the Alberta Stock Exchange to bring an ex parte application with respect to its members. Ex parte application is a very powerful tool that can be invoked by the party that has that ability. I don't see in this particular piece of legislation why it becomes necessary once again for a particular body to be given that very excessive power of being able to come forward with an ex parte application that will of course have serious implications and effects on the party to which the application is being made.

I raise those two points, Mr. Speaker, as concerns with the Bill. Other than that I have no concerns, but I do want to state those for the record for the benefit of the sponsor and for the benefit of those who will be the governors of the Alberta Stock Exchange.

Thank you.

[Motion carried; Bill Pr. 3 read a third time]

[It was moved by the members indicated that the following Bills be read a third time, and the motions were carried]

Pr. 4 Galt Scholarship Fund Continuance Act Dunford
 Pr. 5 First Canadian Casualty Insurance Corporation Kirkland
 Amendment Act
 Pr. 8 Milk River and District Foundation Act Renner
 (for Hierath)

[The Assembly adjourned at 5:27 p.m.]

