

Legislative Assembly of Alberta

Title: Tuesday, April 2, 1996 **8:00 p.m.**
Date: 96/04/02

[The Speaker in the Chair]

THE SPEAKER: Please be seated.

head: Government Bills and Orders
head: Second Reading

Bill 23 **Condominium Property Amendment Act, 1996**

MR. DAY: Mr. Speaker, on behalf of the Member for Calgary-Bow I'm happy to move Bill 23 for second reading.

This Act will contain certain provisions. It'll establish reserve funds to allow for adequate upkeep of buildings and property, it will enable and allow developers to build condominium projects in phases, and I think we'll see that it will also promote competent condominium management by making the condominium boards more accountable to individual owners.

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

MR. WICKMAN: Thank you, Mr. Speaker. I wish to make a few comments on Bill 23 dealing with the Condominium Property Act. When we look at the history of condos not only in the city of Edmonton but throughout the world, condos developed as an alternative form of ownership and a very attractive form of ownership for a lot of people that couldn't afford the single-family home. In a lot of cases it served as a starter home. I'm sure there are many of us that have relatives, family, whose very first home was a condo.

Condos initially were not a real problem, but there was a real influx of condos going back to – what? – the late '70s, the '80s. There were condos being slapped on the market. There were conversions being done. People living in rental units were suddenly faced with the necessity of moving or buying. Then things settled down again. Just recently we've seen again a very, very massive conversion of rental units into condominiums plus condos being built to the point that we're flooded with them here in the city of Edmonton and probably in other places like Calgary.

In that whole process what's happened, Mr. Speaker, is that the consumer in a lot of cases has gotten the short end of the deal. There have been deals put together where people have bought in with a relatively low down payment using RRSP money, whatever, with low condo fees: very, very attractive. But they get into those condos, and one of the first things they're faced with is a \$5,000 assessment per condo owner to bring up to par capital assets that weren't being maintained the way they should have been. We're hearing repeated stories of that happening. Government has now recognized, in consultation with the condo association, that this had to be corrected.

As a result of that, this Bill has come forward. It's a very, very massive Bill. It's a very, very technical Bill, but on first glimpse it looks like a Bill that can be supported. It looks like a Bill that is acceptable to the condo association. It looks like a Bill that's going to provide a further degree of protection for consumers, the condo owners.

Mr. Speaker, in fact some would say the Bill may not go far enough in terms of providing protection. There are some clauses that are particularly good, except it's not fully explained. When we get into committee, those types of questions are going to have

to be explained. If I recall correctly, section 30.1(1) refers specifically to the need for a reserve to replace capital assets so that owners aren't hit with an assessment in one shot, a heavy, heavy assessment. But unless it's going to be done by regulation, it doesn't talk in terms of what that reserve has to be, how it's going to be established. As a condo manager, am I going to be allowed to say, "I want a reserve of a dollar a month per unit"? Which, of course, would be unrealistic. So there has to be some mechanism there to ensure that reserve is sufficient. So I want that particular question answered during committee stage.

I also want to know how this is going to impact on existing condos. There are condos that have been out there for years, condo associations. Does that mean they're going to have to change their type of reserve? Does that mean they're going to have to change their type of reporting? Or is this only going to apply to condos that convert or are built after the Bill is proclaimed? The size of the condos is not distinguished anywhere in the Bill where I can see. There are condo associations in this city that I'm aware of that are as small as three units, brand-new ones as small as three units. On the other hand, there are ones that contain hundreds of units, that have all the amenities – parking, all types of things – that have to be replaced. You can't view the three-unit condo association the same as one that may have 700 units or 300 units, whatever the case may be. That isn't spelled out in the Bill, so again maybe that's going to be addressed during regulations.

In any case, the member that will be guiding us through I would expect will be looking at the questions that are asked and will be prepared to respond to those questions during committee stage. I think it's good, Mr. Speaker, that the commercial condos and residential condos are being grouped together in terms of similar regulations.

Again, Mr. Speaker, as I wrap up, I'm going to keep my comments relatively short on the second reading stage, because it's during committee that we really get into the nuts and bolts of these types of Bills where we can have a much freer exchange and get questions answered. As we move along, let's just think of the number of condos, think of the number of people that will be impacted by this type of Bill, which stresses the importance of it. Just drive around the city now. You're starting to see really massive ones. There's one called Mainstreet, there's another one called King Street, and the latest one I've seen was called Dream Street. Each of those will contain dozens and dozens of condos, one-bedroom, two-bedroom, \$49,000 and up, and so on and so forth: very, very attractive to new home buyers. But at the same time people can be taken advantage of. That's why there's a need for this type of legislation, to give that protection that taxpayers, that Albertans, expect from government.

On that note, I'll conclude, Mr. Speaker, so others can join in the debate.

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

MS CARLSON: Thank you, Mr. Speaker. It's a pleasure to rise in support in principle of Bill 23, Condominium Property Amendment Act, 1996. There are a few concerns that we have, of course. I'm hoping they can be addressed before we get into committee on this.

A number of stakeholders around the province have been consulted on this one at this point and have indicated to us that the amendments are good, for the most part. However, there are a

few amendments that don't go far enough. We may be bringing in some additional amendments here at committee to address those concerns if the government doesn't.

Some of the areas with regard to condominiums have not been updated for many, many years. Particularly when they're converted – and we're seeing a great majority of them now being converted from apartment units into condo units or when projects are built in phases – we have to have some regulations around the conversion, the timing of it, the process of it, and how both the tenants and the new owners will have their concerns addressed and be protected at all stages of development of the project. I'm not sure that what we see here so far, what I've been able to read so far, actually amends those to the extent that we've been seeing requests from people, particularly during the transitional phases while they're turning from a rental unit into a condo unit.

There have been some concerns expressed here that the board of directors will now be made too powerful and that they'll be allowed to implement sanctions. So we need to know why they've been given that all-encompassing power and what kind of regulations may be coming in to limit what they can do or to impose some kinds of conditions in terms of a 75 or 80 or 90 percent approval rate by the different board of director members.

Another concern we have is that, as it stands right now, any caveats filed by the corporations for outstanding condo fees do have priority over all other encumbrances. This is not outlined anywhere in this Act, and we think it should be because for sure people who own condos should be aware that this is something they need to have some concern about under the circumstances where they may in fact have a caveat filed against them.

8:10

Something of major concern I think for all of us, not just condominium owners or their boards of directors, is that while they have to have peril insurance, right now there's no provision for them to hold liability insurance. I think that comes under section 38 in this Bill. Given the way insurance claims and settlements are going these days and given the kinds of conditions that can be in and around these areas and the kind of weather we have in this province, which lends itself to accidents happening, we need to be aware of this. Perhaps this should have been included in section 38, where liability insurance is a requirement by all condominium associations. As any responsible owner of a rental building would carry that kind of insurance, we would expect that condominium associations would carry it for the outside perimeters of their building and all of the common areas. Should somebody be hurt, there could be a considerable increase in liability for individual owners if there isn't any insurance coverage. This may be here. I haven't seen it. I'm hoping it'll be addressed. If not, we'll definitely be bringing in an amendment in that area.

Another concern is that this new Act requires corporations to distribute financial statements and the budget to all owners prior to the annual general meeting. This poses potentially some great degree of difficulty. Often the budgets for anything, including an association like this, are prepared in advance of the year's operations and in fact should be prepared in advance of the year's operations so that all the associate members could budget their own resources and know what to expect over the coming year in terms of ongoing and perhaps additional or extraordinary expenditures.

It would be impossible to give a current financial statement prior to the beginning of the year's operations, so there needs to be some differentiation here in terms of the requirements in

section 25. What would be the correct thing to do would be to require a budget prior to the year commencing and then to require a financial statement to be distributed to all members of the association within a timely period after the end of the year, perhaps within a three-month period, which are the initial tax regulations, or to the maximum of a six-month period. That would be a responsible thing to do and then would give all the associate members some process by which to plan their own lives and then to monitor the budget process after the year is finished in terms of comparing it to the actual financial statements. I'm sure that's just been an oversight on behalf of the preparer of this Bill and that at some point we'll see that that is made quite clear and that that concern is addressed.

Being as this is just speaking in principle to this Bill, I'll end my comments at this point, see what kind of amendments or clarification comes in the rest of the discussion, and I will continue in committee.

Thank you.

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

MR. SEKULIC: Thank you, Mr. Speaker. I rise to speak to Bill 23 in second reading. I was slow getting to my feet because moments ago I was in the final stages of consultation with one of my constituents who sits on the Canadian Condominium Institute, and he's with the northern Alberta chapter. I understand there are two chapters, and both have had some opportunity to review this Bill. In fact, lawyers sit on both the northern Alberta chapter and the southern Alberta chapter, and the constituent I was consulting with is involved with the institute in that he runs the Condominium Institute info hot line. Apparently their phone has been ringing quite a bit about this piece of legislation that's before us. In our conversation he conveyed to me that the last time thorough changes or amendments were pursued with regards to condominium properties was back in 1984 or '86. He said to me that in fact much of what's embodied in this Bill has been supported by the northern and southern Alberta chapters of the Canadian Condominium Institute. So it appears that some consultation has taken place and that there is support by Alberta stakeholders for this Bill, the Condominium Property Amendment Act, 1996. Unfortunately, because I was expecting to speak rather soon after our conversation ended, I did have to say good-bye much quicker than I would have liked, because there was much more information I wanted to discuss with him, some specifics about this Bill. I hopefully will complete that conversation, and then in committee I'll be able to provide some more specific concerns on behalf of not just my constituents but in fact all Albertans that have a vested interest in this legislation.

I will be supporting the Condominium Property Amendment Act, 1996, at second reading in principle because at the first read, there is support for this Bill. So with those few comments, Mr. Speaker, I'll take my place.

SOME HON. MEMBERS: Question.

THE SPEAKER: Is the Assembly ready for the question?

The hon. Member for Edmonton-Mill Woods.

DR. MASSEY: Thanks, Mr. Speaker. Speaking in favour of the Act, I'd like to make a couple of comments. The Member for Edmonton-Rutherford talked about condominium units being those kinds of entry properties that people who are entering the home

ownership market were most likely to access. Since those early days of condominium projects in this province condominiums have been expanded to include a wide variety of properties, and you'll find not only entry-level priced properties, but you'll find some very upscale condominium properties in this city, some situated on the edge of the riverbank and, as I said, very, very upscale. So I think it's important that we have good legislation governing the ownership and the operation of those condominiums.

I go back to one of the projects that the government indicated they would be engaged in when they were first elected, and that was to try to make the language of legislation more user friendly. As you go through this particular Act, it's a project I wish they would have come through on and fulfilled. For ordinary property owners the Condominium Property Amendment Act, 1996, the condominium laws, coupled with the association bylaws that are put together, become a very difficult maze in trying to understand exactly what condominium owners can and cannot do.

I was approached by a group of condominium owners in my constituency who awoke one morning to find that the landscaping in their condominium project was being dramatically changed. In this case they had some rather mature evergreens and woke up to find that they had all been either removed or had been dramatically altered by the condominium association. The vast majority of the property owners had no idea that this was going to happen. When they sought recourse to their own bylaws, it became readily apparent that they didn't understand exactly the kinds of obligations that they had undertaken when they had become part of that condominium project. So I think there's a case here for user-friendly language in a way that there may not be in other pieces of legislation that we're involved in.

Along with residential we've moved into commercial condominiums, and they, too, are presenting difficulties for those people that are involved in them. Again – and this is in respect to commercial condominiums – I had a constituent who is in a continuing dispute with the vendor of the condominiums over property taxes, finding that he and the other occupants in the condominium are being held responsible for municipal taxes on unoccupied condominiums and on condominiums that have yet to be sold by the developer.

So the whole area of condominium property laws I think has to be carefully crafted, and I think it has to be, again, crafted with an eye to the ultimate users of this kind of legislation and those interested in this kind of legislation, who are everyday Albertans, those without legal backgrounds who need simple language to understand what they're involved in. Hopefully, the changes made in Bill 23 will move in that direction, and I look forward to the discussion in committee.

Thank you.

8:20

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

DR. PERCY: Thank you, Mr. Speaker. Certainly in my constituency office I've had a number of constituents who have come in over disputes either with their condominium associations or with the developer. These have really been litigious issues, to put it mildly, and there was a real vacuum in terms of the regulatory environment. So this Bill moves us, I think, a good portion down the road to at least providing a more structured, coherent framework with which board members, condo owners, and the developers – the rules of the game are going to be more clearly set out.

I must echo the comments of my colleague that the Bill is not written in a user-friendly fashion. I thought the Financial

Administration Act Bills were complex and difficult to interpret, but this one has its own set of nuances as well. There are two issues I would just like to flag that will come up, one of which is the power of the board. Just as in the case of school councils you had parents very concerned about the potential power of those councils, so too in terms of the condominium associations the power of the board can impose sanctions if bylaws are broken. Well, I would prefer, as I think many members would, if in fact you had to go to court first. It's not that I want to generate work for lawyers, but I do believe that if we have a set of rules and there's a dispute over those rules, that's why we have a court system in place to enforce them. So I'm somewhat concerned about the open-ended nature of section 30 because I think it provides perhaps too much power to condo boards.

I guess as well I would have some concerns about some of the reporting requirements, since the time periods when AGMs are held, when budgets are prepared are quite different. I don't think the drafter of this Bill really understood how in fact many of these associations operate and when they report and when they have their AGMs.

With those comments, Mr. Speaker, I'll take my seat.

[Motion carried; Bill 23 read a second time]

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

[Mr. Clegg in the Chair]

THE DEPUTY CHAIRMAN: If we could have the committee come to order, please. Thank you.

Bill 7
Municipal Affairs Statutes
Amendment and Repeal Act, 1996

THE DEPUTY CHAIRMAN: We are on amendment A4 on section 9.

The hon. Member for Edmonton-Ellerslie.

MS CARLSON: Thank you very much. The last time this Bill was up for debate, the Member for Fort McMurray introduced the first half, the (a) section of an amendment on this. So that was 4(a). Bill 7, as we'll all recall, amends the municipal affairs Act, and it streamlines and extends consumer protection to the Direct Sales Cancellation Act. It makes changes to the licensing and filing requirements under the Cemeteries Act, the Collection Practices Act, the Licensing of Trades and Businesses Act, and the Fuel Oil Licensing Act. Its responsibility is for registration of persons selling petroleum products and collecting provincial taxes to fall under the Treasurer.

Just to put in context what we're talking about, the amendment 4(a) amends this Act in subsection (3) by adding the following after proposed section 4 of the Licensing of Trades and Businesses Act:

- 4.1 Where the Minister proposes to make a regulation pursuant to this Act, a copy of the proposed regulation shall be forwarded to the Standing Committee on Law and Regulations.
- 4.2 The Standing Committee on Law and Regulations shall examine any proposed regulation . . .

The intent of that is to achieve three goals: that this will be "consistent with the delegated authority provided in this Act," that it's "necessarily incidental to the purpose of this Act," and that

it's "reasonable in terms of efficiently achieving the objectives of this Act."

We believe on this side of the House that this is a very necessary amendment, that we can't have decisions being made behind closed doors, that there has to be an open process, a process that has enough time for members on both sides of the House and people from throughout the province to have input. By referring these to the Standing Committee on Law and Regulations, people within the province and members on both sides would have adequate time to review them and to make any kinds of changes or ask any kinds of questions that are necessary.

So with that in mind, I speak in favour of this amendment, that was brought in on March 27 of this year. Thank you, Mr. Chairman.

THE DEPUTY CHAIRMAN: On the amendment - I'm very sorry. Here we are. Somebody in the House didn't bring their amendment, so we sent it out to get copies.

On amendment . . . Oh, sorry. Hon. Member for Edmonton-Rutherford, did I miss your hand?

MR. WICKMAN: Well, Mr. Chairman, I had been on the speakers' list, but I was waiting for the amendments to be dropped on the desk.

MR. DAY: On a point of order, Mr. Chairman. I believe the amendments have been previously circulated. It's up to each member to be responsible to have them. You called the question, and nobody was rising to stand.

THE DEPUTY CHAIRMAN: The hon. Member for Edmonton-Rutherford.

MR. WICKMAN: No, no, that's fine. Go ahead.

[Motion on amendment A4 lost]

THE DEPUTY CHAIRMAN: On amendment A5, hon. Member for Edmonton-Ellerslie.

8:30

MS CARLSON: Thank you, Mr. Chairman. Then on behalf of the hon. Member for Clover Bar-Fort Saskatchewan, who originally put forward this host of amendments, I would like to move amendment 4(b), which amends this Bill under section 9 as stated on the last page of the amendments that were first put forward in the House on March 27.

This amendment talks about: "in subsection (12) by adding the following after proposed section 14 of the Licensing of Trades and Business Act." What it states under 14.1 is that

no certificate shall be admitted in any prosecution as prima facie proof of the facts stated in that certificate, unless a true copy has been served on the person named in the certificate no less than 10 days before the commencement of the trial.

Mr. Chairman, this is only just operating in good faith, and it seems simply an oversight that this was not originally put in there, because definitely you wouldn't want anyone to be facing prosecution of any type if they didn't in fact know what they were being prosecuted for. So to provide them with a true copy and to give them some time to act before the commencement of the trial seems to be just good manners as well as being the proper thing to do.

What would happen if you didn't do this: the accused would not

know what they were accused of and would have no chance to prepare a rebuttal or to gather any information which may show their side of the story. In fact they would be going to trial without ever having known what the case was that was alleged to be against them. So certainly a strong argument could be made that this would be a trampling on the accused's civil liberties and rights, and that's something that I'm sure this original Bill had no intention of doing. This very simple amendment, which just gives people some time to react to circumstances that they come across, that come before them, seems to be absolutely the right thing to do. I'm sure that both parties, on this side of the House and on that side of the House, will be able to support this amendment in good faith.

THE DEPUTY CHAIRMAN: The hon. Member for Edmonton-Rutherford.

MR. WICKMAN: Yes, Mr. Chairman. I rise to support this amendment. As the previous speaker has indicated, this is an amendment that could have very well been overlooked by the government. It's an amendment that extends some courtesy; it extends some natural justice. We're talking in terms of people facing actions, and we're talking in terms of proper notification being given to these people. It's a common courtesy; it's an extension of the justice system the way it should be done. There's absolutely no reason why any member of this House would not support this amendment that has been brought forward.

On that note, I'll conclude.

[Motion on amendment A5 lost]

[The clauses of Bill 7 agreed to]

[Title and preamble agreed to]

THE DEPUTY CHAIRMAN: Shall the Bill be reported? Are you agreed?

HON. MEMBERS: Agreed.

THE DEPUTY CHAIRMAN: Opposed? Carried.

Bill 8 Alberta Energy and Utilities Board Statutes Amendment Act, 1996

THE DEPUTY CHAIRMAN: On the Bill itself, the hon. Member for Edmonton-Whitemud.

DR. PERCY: I wanted to speak extensively to Bill 8 and forewarn you, Mr. Chairman, that we do have amendments to this Bill that I'll be bringing in on behalf of my colleagues, who are intimately concerned with the energy industry.

Several issues I think have to be dealt with in Committee of the Whole stage with Bill 8. The first is that I think this Bill is a classic example of legislate in haste and amend extensively. The original Bill itself was passed on February 15, 1995, and here we are now running through a series of extensive amendments to that Bill, many of which in fact had been pointed out at the time. What's even more interesting is that many of the amendments of course don't deal with the issues that we had raised, and they bring in themselves even more vexatious issues to deal with. So what I'd like to do is, first of all, highlight what our concerns are

with this Bill and then suggest remedies, all brought forward in a constructive, conciliatory fashion, and I know that in a similar fashion they will be overwhelmingly approved by members on both sides of the House.

The first issue to deal with concerns the treatment of the employees of the AEUB. The Bill in fact in section 3.1(2) basically removes the employees of the AEUB from the Public Service Act. Again no justification is provided for that, no explanation of why in fact the employees should not be subject to the provisions of the Public Service Act and all that it entails. So clearly that's an issue that we're going to address.

A more broad-based issue of course, though, is the issue of loans and loan guarantees. This Bill does provide the AEUB with the ability to provide guarantees. You know, it's ironic that we actually have two Bills today that deal with mechanisms to provide guarantees – first it was Bill 19, and now there's Bill 8 – at the very same time that notice was given of introducing a financial limitation Act with regards to guarantees and loans by government. So there's an area that we will want to deal with in some detail.

Another issue, one that we think is of fundamental importance, deals with the whole issue of regulations. One thing that members on this side of the House have noticed is that Bill after Bill that comes forward, even amending Bills such as this, in fact provide more of a framework, or a skeleton, and allow much of the meat of the Bill to be provided by order in council. So we're going to again, in the spirit of openness and to ensure that stakeholders in the industry have a clear idea of what lies ahead, suggest that the various regulations first go through the Law and Regulations Committee. We can only gain by that, because it provides a mechanism of vetting and getting stakeholder input with regards to regulatory change.

The other area that we wish to deal with is the whole issue of the levying of fees by the AEUB. Again, this Bill allows, then, for basically retroactive provisions, and we think that the provisions for the fees and the levying of those fees should in fact only come into force upon proclamation of the Act.

A final point is this one of fairness and how governments introduce change. This Bill rather abruptly makes the industry pay the full regulatory shot for the AEUB, when there was a long-standing tradition for both the former ERCB and the PUB of receiving government financing to carry out their activities. This Bill provides for no such transition mechanism. So that's a concern that we have, because although one would think that the industry should play a significant role in financing this, since there is a regulatory role, we think it's somewhat ironic that, on one hand, the government can argue that as the federal government reduces its level of funding for various programs, they abrogate the ability to levy common standards, yet on the other hand, it backs out completely from the financing of the AEUB and still expects to have the same regulatory clout.

8:40

I believe Mr. Chairman has the amendments and that they are being distributed. The first amendment that I would like introduced is the one which starts, "Section 1(2)." There are two amendments on this page, and each of these amendments will be dealt with sequentially in terms of discussion and vote.

Amendment 1(a) amends Bill 8 by striking out the proposed section 3.1(2). In fact, the intent of the amendment is basically:

The Public Service Act applies to the Board and to the Board's employees or persons providing services to the Board until such time as the Government terminates its financial involvement in the Alberta Energy and Utilities Board.

This is basically a transition mechanism. Again, if you're going to legislate change, you generally would like some type of period of phase-in. What this does, then, is ensure that such a phase-in is part of the legislation. One of the features of the Bill, Mr. Chairman, just to speak for a brief moment, is that the Bill basically leads to a rather large shift in the method of financing of the AEUB and provides no vehicle for transition or adjustment.

So our first proposed amendment, which is being distributed, which would be 1(a), basically allows, then, the provisions of the Public Service Act to apply until the government terminates its financial involvement in the AEUB. We believe that is a more appropriate approach than simply terminating the application of the Public Service Act while the government would still be financing the activities of the AEUB.

So with those comments to amendment 1(a), I'll take my seat.

THE DEPUTY CHAIRMAN: The hon. Member for Edmonton-Manning on the amendment.

MRS. McCLELLAN: Again?

MR. SEKULIC: Thank you, Mr. Chairman. I just thought I overheard, just barely, the Minister of Health say "again." It sounded like she said it in disappointment. I'm sure that wasn't the case. She's actually quite anxious to hear my comments, because I do know the Minister of Health to be a very good person indeed.

Mr. Chairman, I rise to speak in support of amendment 1 which amends section 1(2). The reason I rise in support of this amendment is that when government is undergoing what I would call quite radical change, undergoing a transformation in terms of the level in which it is involved in industry and in the programs that it delivers, in that transitional state we must ensure that there are checks and balances to ensure that a proper transition can occur completely.

I think, as the Bill originally read, that not to include the Public Service Act might have been an oversight in fact by those who drafted the Bill. I understand the former deputy minister of the Department of Energy wasn't part of that group and in fact opposes a number of the provisions of Bill 8. Maybe without the guidance of that former deputy minister this was somehow inadvertently overlooked, and the real intent maybe was to in fact have the Public Service Act apply

to the Board and to the Board's employees or persons providing services to the Board until such time as the Government terminates its financial involvement in the Alberta Energy and Utilities Board.

Now, this amendment seems to be nothing more than in fact a positive measure, a responsible measure which just indicates that as long as there are public funds, Alberta tax dollars, in any way exposed, the Public Services Act would somehow provide a measure of control for Albertans of course through the Assembly.

Mr. Chairman, with the great quantity of legislation that we see coming through this Assembly, amending legislation that had been brought in but six months ago or even a year ago, we see that perhaps legislation is passing through this Assembly at a rate that is too rapid to provide a thorough assessment, and that's why we have to revisit it. What we're trying to do here as a responsible opposition is ensure that we don't have to revisit once again in the near future this type of legislation. Expediency is an admirable feature, assuming that you're consistently correct and the track record supports that rapid rate of moving Bills from first reading on to Royal Assent. However, the past record doesn't speak in

support of that rate of movement through this Assembly. So I would just say that this is in fact a positive amendment. I can't see any reason why government members, either ministers or in fact noncabinet government members, would oppose this amendment.

With those few comments, Mr. Chairman, I would encourage all members of the Assembly to support this nonthreatening, positive amendment.

Chairman's Ruling Decorum

THE DEPUTY CHAIRMAN: The hon. Member for Innisfail-Sylvan Lake and the hon. Government House Leader, if you want to talk to somebody, please sit in your chair.

MR. DAY: I don't want to talk to him.

THE DEPUTY CHAIRMAN: Well, get to your chair then.

Innisfail-Sylvan Lake, the principle of committee is if you want to talk to somebody, sit down and talk quietly.

The hon. Member for Edmonton-Mill Woods.

Debate Continued

DR. MASSEY: Thank you, Mr. Chairman. Speaking in favour of the amendment and just a little background to it, it has been mentioned – but I think it deserves reiteration – that this Bill seeks to amend the Alberta Energy and Utilities Board Act, which was only proclaimed on February 15, 1995, just a short time ago. I think it shouldn't go unmarked that coming in with massive changes, as we see before us in Bill 8, does reflect on the department and certainly questions the competence of the Department of Energy from the minister on down to those individuals that had some responsibility for drafting the Bill in the first place. We wouldn't expect that there would be sweeping changes such as those proposed in Bill 8 if the ideas had originally been thought out before the amalgamation of the Alberta energy conservation board and the Public Utilities Board took place. It's something that I think deserves comment and I think also deserves some sort of public explanation as to why we should be facing the kinds of extensive changes after such a short time after the enactment of the Bill.

Referring specifically to the amendment. For those that are trying to follow, if you look at page 1 of Bill 8, you will see that there's a section 3.1(2) which says, "The Public Service Act does not apply to the Board", et cetera. It's found about three-quarters of the way down page 1 of the Bill. Our paragraph strikes out the paragraph and replaces it with a paragraph that indicates:

The Public Service Act applies, and "applies" needs to be underlined, to the Board and to the Board's employees . . . until such time as the Government terminates its financial involvement in the Alberta Energy and Utilities Board.

Simply stated, Mr. Chairman, this means that as long as some or all of the funding for this board comes from the government, the employees will get the benefit wherever employee protection is found in the Public Service Act, and we think that's an important act for those individuals that are involved.

Thank you, Mr. Chairman.

8:50

[Motion on amendment 1(a) lost]

DR. PERCY: I would like to introduce the amendment entitled

1(b), which has been distributed. What this amendment does is ensure much greater legislative scrutiny for any loans or loan guarantees that in fact may be provided by the AEUB. As it presently stands, it's the Lieutenant Governor in Council, which is basically order in council. Through order in council, then, the cabinet may

authorize and empower the Provincial Treasurer to do either or both of the following:

- (a) to guarantee on behalf of the Government the due payment of any money borrowed pursuant to section 3.4 . . .
- (b) to advance to the Board

blah, blah, blah. But the bottom line: what this does is allow the government through order in council to provide loans or guarantees.

Our amendment has a very simple intent. It says, "interest and on terms and conditions that may be prescribed by the Lieutenant Governor in Council," and it substitutes "after receiving the approval of the Legislative Assembly." Again all this does is ensure that the Legislative Assembly has scrutiny over any financial transactions that involve the board. It provides the ultimate mechanism of accountability, which is the Legislative Assembly.

I would hope it's consistent with the spirit of the Bill that was introduced by the Premier today on providing loans and guarantees, and it would strike us that Bill 8 is completely inconsistent with what the government is attempting to do in terms of financial limitation. Because the way Bill 8 is phrased, if you look at section 3.5, it appears to allow executive council through order in council to provide these types of guarantees and loans. So there appears to be some element of inconsistency between the government's intent in one area and what this Bill attempts to do in the other.

I would add as well that this amendment along with the other amendments have been in fact in the possession of the Minister of Energy since the 27th of March. So I would think that if in fact you want to be fiscally prudent, if you want to highlight the role of the Legislature ensuring financial transparency, you would vote in favour of this amendment. [interjections]

Chairman's Ruling Decorum

THE DEPUTY CHAIRMAN: Please, hon. member.

MR. DAY: I'm trying to get him to sit down, Mr. Chairman.

THE DEPUTY CHAIRMAN: Yes. Please sit down beside somebody. I don't know who's wanting to talk or who's standing up. If you want to talk, please sit down beside somebody.

AN HON. MEMBER: You've got a member on this side standing.

THE DEPUTY CHAIRMAN: Hon. Member for Lacombe-Stettler, please take your chair.

The hon. Member for Edmonton-Mill Woods.

Debate Continued

DR. MASSEY: Thank you, Mr. Chairman. Speaking in favour of the amendment. This second amendment is found on page 3, section 3.5 in the bold print. I'd just like to read what it says.

The Lieutenant Governor in Council may authorize and empower the Provincial Treasurer to do either or both of the following:

- (a) to guarantee on behalf of the Government the due payment

of any money borrowed pursuant to section 3.4, together with the interest on the money borrowed, on any terms and conditions that may be prescribed by the Lieutenant Governor in Council;

- (b) to advance to the Board from time to time out of the General Revenue Fund any sums that are considered advisable, on any security, at a rate of interest and on terms and conditions that may be prescribed by the Lieutenant Governor in Council.

So it's those clauses that we are seeking to amend.

The first amendment found on the short page deals with 3.5(b), to make advances from the board, and it proposes that the words "on any security, at a rate of interest and on terms and conditions that may be prescribed by the Lieutenant Governor in Council" would be removed. The whole section will be amended and will now read "to advance to the Board from time to time out of the General Revenue Fund any sums that are considered advisable" – and then there's the important clause, and it needs underlining – "after receiving the approval of the Legislative Assembly."

I think it's rather clear, Mr. Chairman, that the thrust of this amendment is to ensure that before the government gives money to this combined board, they will have received the approval of the Legislative Assembly of the province. Since the board can set its own salaries and set its own user fees, I don't think that this can be in any way considered an unreasonable amendment.

So with those comments, I would urge support of the amendment before the Assembly, Mr. Chairman.

THE DEPUTY CHAIRMAN: The hon. Member for Edmonton-Manning.

MR. SEKULIC: Thank you, Mr. Chairman. I know it's very unparliamentary to refer to absences in this Assembly, but it wouldn't surprise me if section 3.5 as it currently stands in this Bill would chase the minister of transportation right out of this Assembly, because being the true fiscal Conservative that he is, he couldn't stomach this Bill with section 3.5 as it stands currently. I know that he would support and speak very aggressively in favour of our second proposed amendment to Bill 8 this evening.

Fiscal constraint starts at home. When you're working and whittling away at other programs in government, programs such as education and health, yet you don't seem to impose constraints on this industry or on this board in particular, there's something wrong. When we speak of accountability, we have to make sure, as I said in my comments to the previous amendment, that the checks and balances have to be put in place. You know, the way the Bill was drafted, it almost seems like there was an intent not to have checks and balances in place.

The difficulties that this government in particular has had with extending loan guarantees, extending public funds to risk – if there was any other way of stating it, it was almost a guaranteed risk, a case where you would lose the money for sure. Well, with that track record, Mr. Chairman, I would hope that we would receive unanimous support from government members. I know the hon. Member for Cypress-Medicine Hat is very much supportive of toeing a very consistent fiscal line. He abhors loan guarantees, much like myself. He doesn't like subsidies. He is very much against subsidies. His attitude is: if you don't earn it, you shouldn't get it. Yet there are clauses in legislation or Bills coming through which speak quite to the contrary.

This amendment that's being put forward is once again a friendly amendment. It doesn't take away from the principle of

the Bill; however, it puts those required checks and balances in place so that the Legislative Assembly, when it comes to public funds in Alberta, is the ultimate authority, the way it should be.

Mr. Chairman, with those comments, I would encourage all members of the Assembly to vote in favour of our second amendment to Bill 8.

THE DEPUTY CHAIRMAN: The hon. Member for Edmonton-Roper.

9:00

MR. CHADI: Thank you, Mr. Chairman. It wasn't so long ago in this Legislative Assembly that we debated the amalgamation of the PUB, the Public Utilities Board, and the ERCB. I, for one, was very much in favour of streamlining those two agencies, eliminating the needless overlap and duplication.

Today we have before us an amendment to the Alberta Energy and Utilities Board and a proposed amendment from the Member for Fort McMurray. Now, after scrutinizing the Bill and, as well, scrutinizing this amendment, one can only draw this Assembly's attention to the fact that it wasn't so long ago in this Assembly that we were debating the budget estimates, the budget estimates, Mr. Chairman, relating to the general revenue fund of the province of Alberta. Now, it was an awful lot of money. It was billions of dollars that we dealt with within that general revenue fund.

The amendment that is proposed today in Bill 8 talks about allowing the Lieutenant Governor in Council to empower the Provincial Treasurer to do the following: "to advance to the Board from time to time out of the General Revenue Fund any sums that are considered advisable." Now, Mr. Chairman, I think it undermines the whole estimates process. I as a Member of the Legislative Assembly and I think every single Member of the Legislative Assembly here tonight and those that aren't here tonight would like very much to be able to know when funds are leaving the general revenue fund and to where they're going. I mean, that's obviously what the estimates debates are all about in the first place. I'm going to make my comments very brief, but I want all members of the Assembly to realize that I think that with respect to the amendment in this Bill, not the amendment amending the amendment but the amendment, it undermines that estimates process.

With respect to the amended part of the amendment, the amendment that's before us now that clearly states that we would require "approval of the Legislative Assembly" prior to advancing to the board out of the general revenue fund, I think it only falls in line with the rules of this Assembly, and that is to allow Members of the Legislative Assembly to be able to debate the advances that are given out of the general revenue fund. So, Mr. Chairman, I would think it would be incumbent on each and every one of us in this Assembly to understand where those funds are going and to have a say into how they're being spent.

With those comments, I'll take my seat. Thank you.

[Motion on amendment 1(b) lost]

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

DR. PERCY: Thank you, Mr. Chairman. We are now turning to the second set of amendments, and I will draw your attention to amendment 1, which amends section 1(2). I won't bother to read it out. I'll give you the intent of the amendment. The intent of

the amendment is in fact to ensure that regulations that pertain to the Alberta Energy and Utilities Board go to the Standing Committee on Law and Regulations.

This is an amendment we have tacked on to a number of Bills that have come through the House because so much of the activity of this House now is being done through regulation as opposed to legislation. The intent is to provide for that sober second thought and the transparency and the ability for stakeholders to see what their regulatory environment will look like and also to give members on both sides of the House an opportunity to assess the regulations that are coming forward. So this amendment, then, is absolutely consistent with the commitment that members on both sides of the House made during the election of 1993 to have a more open and accountable legislative process.

With those comments, Mr. Chairman, I'll take my seat.

THE DEPUTY CHAIRMAN: Hon. Member for Edmonton-Whitemud, I want to clarify because I was confused on the last. There are going to be three amendments. We're dealing with 1, then 2, and then 3.

DR. PERCY: To reply to your point of clarification, the 1(b) should be ignored because we've already dealt with that. Unfortunately, these weren't consolidated, so we would then go down to 2, followed by 3.

THE DEPUTY CHAIRMAN: Thank you, hon. member.

The hon. Member for Edmonton-Mill Woods.

DR. MASSEY: Thank you, Mr. Chairman. Speaking in favour of the amendment, I'd like to position it in the Bill. For those of you that are following Bill 8, it's on page 3. If you look at the bottom of page 2, about a third of the way down section 3.3(1), at the top of page 3 we're suggesting that after section (4) a new (5), (6), and (7) be added. The amendment for each of those sections is as laid out before us.

As the member previous has indicated, it's been our standard practice to ask that any proposed regulations be forwarded to the Standing Committee on Law and Regulations. We are still of the firm conviction that that committee has an important role to play in legislation in this province and in assuring the Assembly that the regulations are consistent and in the spirit of the legislation that's being passed.

Section (6) would remind the Standing Committee on Law and Regulations that the obligation is to look at any of the proposed regulations and to make sure that they are consistent with the delegated authority provided in the Act, that they are incidental to the purpose of this Act and are reasonable in terms of efficiently achieving the objectives of the Act. So those three obligations we ask the Standing Committee on Law and Regulations to fulfill.

Then, of course, the last and probably the most important obligation of that committee, and what we would like applied to this legislation, is that should they find any matter which in their opinion the minister should have drawn to his or her attention, they do that. Again it's our conviction that this review process of the regulation will stand Albertans in good stead, will make for better legislation, and will help carry out our obligation as legislators.

So I urge passage of the amendment, Mr. Chairman.

THE DEPUTY CHAIRMAN: The hon. Member for Edmonton-Manning.

MR. SEKULIC: Thank you, Mr. Chairman. I rise, as you would probably guess, in support of this amendment. I must say in general terms why I support this amendment, and I know you'll want to hear these comments.

Out of 2.7 million people in Alberta only 83 Albertans are permitted to come into this Assembly and debate the legislative matters that affect all Albertans. This impresses upon each and every one of us a very high degree of responsibility. When we permit the bureaucracy to be charged with the responsibility of drafting all the laws and regulations and then in fact passing them, there's a weakness; there's a weak link in the work that we do. We are abdicating some of the responsibility that our constituents have sent us here to do. I don't believe in such a thing as dome disease, Mr. Chairman. There is no such thing as dome disease, and getting out from under the dome is not necessarily a healthy thing. There is such a thing as mad cow disease, and there are a lot of steak consumers here this evening. Quite seriously, only 83 Albertans have the privilege that my colleagues in this Assembly have, and it is out of that responsibility to our constituents that we should in fact look to do more of the work that elected officials should be doing.

9:10

When we hear slogans like "getting out of the business of being in business," "only funding core programs," I support much of what those slogans stand for and what they mean, but at the same time we have to ensure that democracy as represented and carried out through this Assembly, that powerful and respected function, is in fact retained. Not even 24 hours ago, Mr. Chairman, we had the Lieutenant Governor here reminding all 83 members of the importance of this building, the importance of this Assembly, and the importance of the work that we carry out here.

I'm not supporting this amendment because I want to see the hon. Member for Calgary-Shaw, who happens to chair the Law and Regulations Committee, earn more income, although that's going to be one of the by-products of that committee meeting. I have great faith in the Member for Calgary-Shaw to carry out this function responsibly. In fact, he's demonstrated in his work that he has the competence that's required to work with that committee and to guide that committee into making responsible choices and responsible decisions for Albertans.

The hon. Member for Peace River will embrace this amendment, and I know he will, Mr. Chairman, because subsection (6) of this amendment is in fact the theme of the work that he's been carrying out for the past year. He knows that the handoff to the Law and Regulations Committee is a natural extension of that work and once again meets the criteria which I stated at the start of my comments, that being that it is our responsibility as legislators to do much of this work.

Mr. Chairman, with those few comments I think I've impressed my point and my concern upon you. I would just encourage all members of the Assembly to support this responsible and positive amendment.

MR. VAN BINSBERGEN: Mr. Chairman, unlike my young colleague from Edmonton-Manning, who spoke so reasonably, I do not share his faith in the reasonability, if I can call it that, of members such as Calgary-Shaw and Peace River. I don't think they will coolly and compassionately discuss these amendments and then vote in favour. No. I know they've gotten their marching orders. They will vote against these amendments. They will fall in line because they've been given those orders, and they will not think their own thoughts.

Mr. Chairman, I want to appeal to what minuscule amount of reasonability is left in the hearts and minds of members on the other side. I want them to consider that we are speaking on behalf of the powers of this Legislative Assembly. We are asking that all members consider very clearly and profoundly that these amendments will only further the cause of open scrutiny, will further the cause of openness and frankness, will make sure that the strings of the purse are clearly in the hands of this Assembly, not in the hands of the cabinet, and will also ensure that any regulations are made out in the open in a public forum, convened finally, after I don't know how many requests, by the Member for Calgary-Shaw, and that they will not be arrived at secretly in the darkness and dankness of a dungeon, like mushrooms.

It is important that all these items bear the scrutiny of public glare, Mr. Chairman, and I challenge the members on the other side to for once think about these things and to in fact get up. You know, I bemoan the arrogance of this government, that they don't even take the trouble to challenge our amendments. They just sit there and vote against it by rote, like a bunch of trained seals. Tell us. If these amendments are wrong, tell us.

Mr. Chairman, I've made my pitch. I know that in the end they will vote against it and nobody will speak against it.

Thank you.

[Motion on amendment 1 lost]

Point of Order Decorum

MR. VAN BINSBERGEN: Point of order, Mr. Chairman.

THE DEPUTY CHAIRMAN: Yes?

MR. VAN BINSBERGEN: Section 53 of *Beauchesne*. Let the record show that the Treasurer honked his assent.

THE DEPUTY CHAIRMAN: Hon. members, I always like to be lenient, but this noise level has just got to stop. Nobody's sitting down beside anybody. Everybody's honking, at least the Provincial Treasurer's honking, which is absolutely not called for. If we're going to continue, we've got to have some order in the House.

AN HON. MEMBER: But it is spring, and the geese are back. The geese can honk in spring.

THE DEPUTY CHAIRMAN: Yes, hon member, but we're not going to have that kind of eruption. Everybody in the House has the right to speak, and we'll follow that rule.

The hon. Member for Edmonton-Whitemud.

Debate Continued

DR. PERCY: Thank you, Mr. Chairman. Our second amendment on this page again deals with transition issues. As the point we made in a previous amendment, much of the force of these amendments is to have the AEUB be self-supporting by levying fees on the industry. However, as it presently stands, the former PUB and ERCB each had their own set of shares of the total expenditures that were accounted for by government. The way this Bill is phrased, it's clear that the government within one year could entirely shift the burden onto the industry without any transition agreement or mechanism in place. Just as we argued that some of the privatization initiatives were undertaken too

quickly, without due regard to the employees, so too, with regard to this particular case in the industry we think there is no transition phase put in place.

So the intent of this amendment is, in a sense, to cap the fact that administration fees could not increase by more than 10 percent from the preceding fiscal year. In that sense the off-loading onto the industry itself would be phased in as opposed to an abrupt shift entirely. As it is right now, it's entirely within the discretion of the minister. This provides a more moderate transition process.

So with those comments, Mr. Chairman, I'll take my seat.

THE DEPUTY CHAIRMAN: The hon. Member for Edmonton-Mill Woods.

DR. MASSEY: Thank you, Mr. Chairman. Speaking in favour of the amendment, and again, I'd position the amendment in Bill 8. It's on page 5 under the section entitled Oil and Gas Conservation Act, and section (b) near the bottom of the page.

[Mr. Tannas in the Chair]

You see that Bill 8 is amending section 48 of that original Act, and this is the section, as it's been indicated, that allows the board to pass cost regulations. The proposed subsection (4)(b) of Bill 8 found on page 5 strikes out the defraying of 50 percent of the costs and allows "to assist in defraying" the costs. What this proposes to do is take out that subsection and put in two subsections that will allow the board to set their fees sufficient to defray costs but that they will not increase by more than 10 percent from the preceding fiscal year. You have to remember that the government will have the power when this Bill passes to go from, at best, 50 percent industry paid to 100 percent industry paid. The effect of these two amendments is to limit the increases to the industry to a cap of 10 percent per year. This seems to be a reasonable compromise as the government moves towards industry-paid boards. I think the amendment is considerate of the energy industry itself and provides some basic fairness in energy regulations by ensuring that the costs which the producers cannot plan for – for example, the regulatory costs – don't jump as much as 100 percent in one year.

It's a responsible amendment, and it provides some constraints and some assurance, some security for the industry that costs aren't going to rise dramatically. So I urge support for the amendment, Mr. Chairman.

9:20

THE CHAIRMAN: The hon. Member for Edmonton-Manning.

MR. SEKULIC: Thank you, Mr. Chairman. I will be brief on this occasion. I must say that I'm standing in support of this amendment.

Mr. Chairman, for the most part in this Assembly I've spoken about fairness and responsibility, those responsibilities that we've been charged with by our constituents. However, on this occasion I must say in all fairness to industry and to the board that there is an onus upon us to ensure that the transition does occur, that the transition occurs in a smooth manner. If there's anything that we as legislators can do to ensure that, I think we should respond to that call. Certainly the opposition is attempting to do that, to exercise a degree of fairness to the industry and to the board by ensuring there is a gradual increase of percentage responsibility to the body.

Mr. Chairman, once again, this is a positive amendment. I think it's a responsible amendment. I think it's worthy of the support of all members of the Assembly, and I would hope that those that haven't reviewed this amendment yet would take the time now before the vote is called. Once again, the key word here is fairness, and I think smooth transition is the goal. I think this is a better vehicle for ensuring that in fact happens, and I would encourage all members to participate by showing their support in the vote for this amendment.

With those comments, Mr. Chairman, I shall take my place and perhaps permit another speaker on this amendment.

[Motion on amendment 2 lost]

DR. PERCY: The final amendment that we propose on this Bill, amendment 3, is to amend section 5 by striking out

applicable to the entire 1996-97 fiscal year notwithstanding that this Act may not be in force at the commencement of the 1996-97 fiscal year,

and substituting

such administration fees to take effect only after proclamation of this Act.

I would appeal to each and every member of this Assembly to just view this in terms of fairness, that we ought not ever legislate retroactively, and until this Act is proclaimed, we would argue that these fees take effect only upon proclamation. As it presently stands, we've seen many instances where Bills have not been proclaimed for several years. Now, it's likely that this will be proclaimed relatively quickly, if passed, but we would like the legislation to embody that basic principle of fairness that the Act and its provisions come into force only upon proclamation. As it presently stands, that is not the case. We would argue that is not fair. We would view this exactly the same as if it were being imposed on employees in the civil service, on credit unions, on condominiums, or on oil companies. It doesn't matter. The principle of fairness extends equally to all individuals, groups, or entities in our society. So this amendment is a very simple one. It basically says that when the Act is proclaimed, the fees take effect.

I would urge all members of this House to rise and support this amendment.

THE CHAIRMAN: The hon. Member for Edmonton-Manning.

MR. SEKULIC: Thank you, Mr. Chairman. Once again I do rise in support of this amendment. As for the previous amendments on Bill 8, I find this to be a responsible and positive amendment. Most importantly, I guess the key word in this amendment is fairness. When I see the transitional and commencement section on page 6, it permits the minister to act retroactively, and I'm not sure if that was once again really the intent. As I said earlier, much of what was proposed in Bill 8 was in dispute. The previous deputy minister was at odds with Bill 8, and I think this may have been yet another one of those areas - I would in fact call him the hon. former Deputy Minister of Energy. He may have seen that there was an element of unfairness in the Bill as it stands, and I would guess that he would be one of the supporters of this amendment, if he in fact were elected. Maybe next time.

I think what we're after here is to introduce the element of fairness to the industry, as we have the expectation within our own Assembly. I would urge all members of the Assembly to support this just on the principle of fairness.

THE CHAIRMAN: Okay.

The hon. Member for Edmonton-Mill Woods.

DR. MASSEY: Thank you, Mr. Chairman. Again I'd like to speak in support of the amendment and position it on page 6 of Bill 8 under the title Transitional and Commencement. The offending words are in section 5, where it indicates that the fees are

applicable to the entire 1996-97 fiscal year notwithstanding that this Act may not be in force at the commencement of the 1996-97 fiscal year.

It just seems that in the transition this is supposed to cover that, but it means that it's possible for fees to be levied retroactively. I can't think of any place in our society or our legal system where retroactivity of fees is supported. So the whole notion of this amendment, the spirit behind it, is to protect the industry and to make sure that basic fairness is followed and that they aren't subjected to retroactive fee increases. Any increases they will incur will be those legitimized after the Bill is passed by the Legislature and proclaimed.

With those comments, I'd ask for support of the amendment by the Assembly, Mr. Chairman.

[Motion on amendment 3 lost]

[The clauses of Bill 8 agreed to]

[Title and preamble agreed to]

THE CHAIRMAN: Shall Bill 8 be reported?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

9:30

Bill 9

Agricultural Societies Amendment Act, 1996

THE CHAIRMAN: Somebody from the rural area no doubt will speak to this. The hon. Member for Calgary-Shaw.

MR. HAVELOCK: Well, thank you, Mr. Chairman. Delighted to speak to this and very briefly. The main purpose of this Bill, while there are certainly a number of amendments dealing with updating the methods by which the societies can operate, is to ensure that the agricultural societies which are mentioned specifically in the Bill are able to take advantage of the tax status which is afforded to all other agricultural societies in this province and ensure that they are treated consistently with those societies under the Municipal Government Act.

As members will note, the exhibitions we're looking at are the Calgary Exhibition and Stampede, Edmonton Northlands, the Westerner Exposition Association, the Medicine Hat Exhibition, and the Lethbridge & District Exhibition. One of the reasons we have to do this, Mr. Chairman, is because these exhibitions either came into being through separate pieces of legislation or under different Acts, and there was some question as to whether or not they would actually be subject to the Agricultural Societies Act.

Mr. Chairman, I will not belabour the point. Virtually all of the amendments which are placed before this House are enabling the societies to actually conduct their business much more efficiently. I've reviewed them in detail, and I could not find anything which should be of a controversial nature.

With that, I will take my seat, and hopefully we can simply push this Bill through the Legislature. Thank you.

THE CHAIRMAN: The hon. Member for Edmonton-Whitemud.

DR. PERCY: Thank you, Mr. Chairman. Certainly members on this side of the House support the intent and the principle of Bill 9 but feel that it really doesn't go far enough in the sense that certainly the agricultural societies listed here are outstanding corporate citizens of the province. They've done a significant amount to enhance both the tourist environment and the economic environment of the province and have done so on a consistent basis through time.

One other element, though, that should be dealt with – and we feel that this is a window with which it can be dealt with – are the community leagues of the province. An amendment that we are going to introduce basically adds to this list community leagues. Two reasons that I introduced this amendment on behalf of my colleague the Member for Edmonton-Mayfield is that when you look, then, at the elements that are listed, the six that are listed here, what you see is a strong element of voluntarism, a group of individuals who have worked consistently for their communities. We see and I think all members in this House have seen that community leagues in this province have really run into problems under the MGA, for example. Their tax-exempt status, their ability to conduct their work, and the ability of the volunteers who participate so actively with them have really been cast into some question because of the tax burden that they're increasingly facing.

At some point this Legislature has to come forward and try and give a boost to the community leagues of this province. They have to reward voluntarism, because as all members know, we have the highest rate of voluntarism in the country. Part of the reason we have that is that we've managed to institutionalize vehicles for allowing people to channel their community spirit.

The six societies that are listed here are all worthy, but as well, we're bringing this forward to ensure that there is some debate on the role the community leagues play in this province and so that we start addressing the problems they're facing, because they're significant. Each of us here who has dealt with community leagues in our constituencies – they're under significant stress. Federally they're being audited for GST simply because the feds have no understanding of the community league environment in Alberta. It's almost an alien concept that people will come together and work and do so on a voluntary basis. What the province does is provide a shell for that activity to occur.

I think the province, though, can go some way, then, to helping the community leagues in this province over and above helping the agricultural societies. Clearly this provincial government wouldn't want to be viewed as tilting their policy initiatives just towards agricultural societies, because they do want to appear evenhanded. At some point we have to address the issues facing community leagues. So certainly on behalf of my colleague the hon. Member for Edmonton-Mayfield I move that section 2 be amended, in section 1(c), by adding after subsection (vi): “(vii) community leagues.” I'm sure that colleagues will be willing to speak to that.

THE CHAIRMAN: Hon. Member for Edmonton-Ellerslie, I wonder if you'd just give us a moment until the pages are able to deliver a few copies of this important amendment.

Okay. If no one has any objection, then, we will ask

Edmonton-Ellerslie to please begin the debate on amendment A1.

MS CARLSON: Thank you, Mr. Chairman. I rise to speak in favour of this amendment of adding community leagues to Bill 9, Agricultural Societies Amendment Act, 1996. In fact, I particularly rise to speak in favour of it after listening to the chitchat from across the way from the agriculture minister and the Government House Leader and the Provincial Treasurer, who belittled the fact that we would be bringing an amendment that added community leagues to an agriculture Bill.

In fact, when we take a look at what is being amended under this, we have the Calgary Exhibition and Stampede, which does a lot more than just agricultural fairs; Edmonton Northlands, which does a lot more than just agricultural fairs; the Westerner Exposition, the Medicine Hat Exhibition, and the Lethbridge & District Exhibition, which do a lot more than agricultural fairs. In fact, a lot of the premise of these associations is based on the hard work of volunteers in the community, who come and help out with a variety of events, which is exactly what adding community leagues to this Bill would include. In fact, there is no venue for community leagues to be guaranteed that they are going to have a tax-exempt status under any kind of Act at this point, be it the Municipal Government Act, be it the provincial Act, or be it the federal Act. It's about time somebody stood up and spoke on their behalf.

As people have said time and time again in this House, community leagues add hundreds of thousands of hours of benefit to everyone in this province, and they are being set upon by the different kinds of tax regulations throughout this province. So if the agriculture minister does not feel that this amendment belongs in here, then I challenge him to stand up in this House tonight and tell us where it does belong and tell us when he is going to introduce a Bill that will fill this need. There's no doubt that community leagues need that kind of aid from more than just the Community Development minister. They also need the support from the agriculture minister. If the minister, Mr. Chairman, is not prepared to defend community leagues, then I'm sure that his local community leagues would like to know that.

So I speak definitely in favour of this amendment. We need to start someplace in terms of giving these leagues tax-exempt status. I suggest we start here tonight by supporting this amendment.

THE CHAIRMAN: The hon. Member for Lacombe-Stettler.

9:40

MRS. GORDON: Thank you. I think it's very admirable that an amendment has come through to deal with community leagues.

THE CHAIRMAN: Hon. member, I wonder, just before you begin, if you could invite some of your colleagues to sit down.

MRS. GORDON: I'll invite them to, thank you, and they're going to act on it.

I think it's very admirable. The intent here is to look after community leagues, but community leagues have access to lottery funds through charitable casinos. As well, in any distribution that takes place over the next year where we distribute lottery dollars back to communities – which the government has agreed to in principle and the guidelines will be developed over the coming year – community leagues will benefit greatly from that.

I guess I would question, Mr. Chairman, why community leagues are being talked about when we're dealing with agriculture. Community leagues are very, very important to cities. I've

met several of the key personnel involved with community leagues not only in Edmonton and Calgary, and they're doing a very admirable job. Maybe it's more a point of clarification. I don't see how they fit into the intent of this Bill, and I would seek some clarification on this. I do believe that community leagues certainly play a very important part, but they are completely different and separate from what we are talking about here in the intent of the Bill. So I do seek clarification on this.

Thank you.

THE CHAIRMAN: The hon. Member for Edmonton-Manning.

MR. SEKULIC: Thank you, Mr. Chairman. I rise to speak in favour of the amendment to Bill 9.

MR. HAVELOCK: This makes no sense.

MR. SEKULIC: Mr. Chairman, I'll continue. I can see where there is some difficulty in grasping how we'd attempt to interject "community leagues" into this Bill. However, we're not sure that the government is acting consistently. The underlying theme in this Bill is the exemption from local taxation. Regardless of what the name of this Bill is, I'm going to look at what I believe is the principle of the Bill and see what then can follow under this principle, because I think that's a little more appropriate. The principle, as I said, is exemption from local taxation.

Now, we've listed off a number of groups which quite appropriately fit under the agricultural label. However, Mr. Chairman, I work very closely with community leagues in my constituency. These are volunteers that I think promote community interests, and their roles and responsibilities have changed dramatically over the past three or four years. It has in fact been made much more difficult to generate revenue and in fact maintain their volunteer base in these difficult transitional times.

Mr. Chairman, I think that given that the principle is taxation and exemption from taxation, we should at some point – and I would like to hear an argument. I'm sure the minister of agriculture will rise and perhaps enlighten me. It may be the case and I will have to concede. He may have a counterpoint against this request that's valid and may in fact change my stand currently in support of the amendment. However, at this time I think we need to formally recognize, regardless of the title of the Bill, the value of the work of community leagues. We haven't seen that formal recognition in any other piece of legislation that was passed certainly in my tenure in this Assembly, and I'm quite confident that there was nothing prior to my arrival in this Assembly legislating protection for those Alberta volunteers who do so much out of the goodness of their hearts for their neighbours and their communities. This is a very, very small gesture to make their jobs a little easier, and I think we owe it to them, unless of course the agriculture minister thinks otherwise.

With those few comments I would encourage support for this amendment to Bill 9.

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

MR. PASZKOWSKI: Well, thank you very much. First of all, I want to commend the hon. Member for Calgary-Shaw for bringing forward this piece of legislation. I think it's nice to recognize that we have members from Calgary who really do understand the role and responsibilities of ag societies. It's nice

to see that there are people from the large cities that do appreciate and understand.

I think it's important that we spend a little time in perhaps identifying just what ag societies do relative to community leagues. Ag societies are an integral part of agriculture. I've spent time in discussions with all of those that are identified and visited each and every one of them during their major agricultural trade shows and identified with the purpose and the roles they play in promoting agriculture, expanding agriculture, and basically selling agriculture.

This past fall I had the opportunity of visiting the shows of virtually all of these that are identified here. It was interesting to note that at the Edmonton Northlands show here I met with 22 producers who were showing livestock who actually, through the Northlands show, were able to make sales to all parts of the world with the animals they were displaying. It's an integral part of agriculture. It's a way of promoting the products, of displaying the products that we produce so well in agriculture here in Alberta.

I admire the work of community leagues, and certainly community leagues should be recognized, but let's indeed be creative here. Let's recognize the role of agriculture and ag societies in development of agriculture. Community leagues have a different function, and let's identify with that different function. Indeed, there is potential for funding for community leagues. There is a different way. The community facility enhancement program, for example, recognizes that. There are other ways, through lottery programs, that recognize volunteerism. Yes, indeed, community leagues do provide volunteerism, just as ag societies.

Remember that ag societies are an integral part of agriculture. They're funded through the department of agriculture. We have a limit. We have a cap on the amount that ag societies are funded. We can't go over that cap. If we're going to start spending resources in all other areas as well, then we're indeed going to moderate the effectiveness of ag societies and the ultimate results from those ag societies.

We're able, with some of the major shows that are affected by the hon. Member for Calgary-Shaw's legislation here, to draw people from around the world to see what we have in agriculture here in Alberta. We've got the best, so why do we want to dilute it? Let's be creative. Let's find another way of finding sources of revenue to operate these volunteer or community league organizations. But let's not thwart a success here. Let's not try and remove from the opportunities that we have developed. It just doesn't seem right to me that anyone would even be thinking in those terms, because indeed we've got a success story here. Time and time again we can identify with massive amounts of input to the development of this province. Let's indeed separate the two and keep them in proper perspective.

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

MRS. HEWES: Thanks, Mr. Chairman. Those fortunate members of this House who have been on the Private Bills Committee will have grappled with this issue off and on over the years as various community organizations have come to us to find a way to get the kind of tax status that's being conferred here in this Bill. Let me assure the minister of agriculture that I am very familiar with what agricultural societies do and am very supportive of what they do, and I will support the Bill with or without the amendment. But, you know, I think it's kind of a creative idea,

and it highlights something that's been missing in our legislation and in our thinking about how we deal equitably with organizations of this character. So I'm pleased to hear the minister say that he sees it as a creative idea and something that perhaps needs to be looked at, and I'm looking to him to reassure me that he's going to be working with his colleagues to see if there's some way that it can be dealt with.

9:50

Mr. Chairman, when I came to Alberta here to live, by choice, from Ontario some years ago, I had never heard about community leagues. It's an absolutely unique kind of operation. It doesn't exist anywhere else, and it is absolutely invaluable. It's been invaluable in this province. There's been a great amount of money and energy put into this particular organization, and it's been very successful. It's also, in my view, a very contemporary kind of organization. It has been able to adjust to changing demographics, changing sociological needs, and changing demands of our communities.

Mr. Chairman, right now I think this particular organization has been mightily threatened, and tax status would certainly relieve a great deal of that. They've been threatened, and I'm glad to hear the Member for Lacombe-Stettler indicate that relief is in sight with lottery funds. That will ease some of the anxiety. I think the incidence of VLTs has been a shock to many organizations of this kind, and so they've experienced some real difficulties. But I think some legitimacy in the form of tax status would be not only welcome but is a great idea.

Mr. Chairman, just let me say, in answer to the minister and in support of what I consider to be a creative amendment, that Edmonton Northlands doesn't just do agricultural shows. They do some excellent industrial trade shows and are very successful at that as well. There's a lot of urban activity that goes on at Edmonton Northlands and I expect in the Calgary Exhibition as well that wouldn't be considered agricultural in nature, so I think we have balance in both of those.

Mr. Chairman, what I'm after here is some assurance from government members that this idea will not be forgotten. It's something that we can look at collectively, and perhaps we from this side of the House should be proposing in some form that tax status in some way could be conferred on community leagues as well.

Mr. Chairman, I will support the Bill, but I think we should commend the Member for Edmonton-Mayfield who thought of this creative amendment.

THE CHAIRMAN: The hon. Member for Lacombe-Stettler.

MRS. GORDON: Yes, Mr. Chairman. This amendment just concerns me a great deal. Coming from a rural background, a rural community, I fully appreciate and understand agricultural societies and their value to rural communities. If you look at what a society is in the beginning of this Bill, it spells it out most distinctively.

MR. DINNING: Read it to us.

MRS. GORDON: Okay. I will certainly read it to you. Society means:

- (i) an agricultural society organized under this Act or under The Agricultural Societies Ordinance of 1903 or any earlier ordinance relating to agricultural societies,
- (ii) Calgary Exhibition and Stampede Ltd.,

- (iii) Edmonton Northlands,
- (iv) Westerner Exposition Association,
- (v) Medicine Hat Exhibition and Stampede Company Ltd.,
- (vi) Lethbridge and District Exhibition.

These are all ag societies that as part of their mandate hold fairs. They literally hold a fair in these communities and are part of the agricultural societies. My question to the members opposite is: do the community leagues that you're referring to know the objects of a society as identified in this Bill? The object of a society is

to encourage improvement in agriculture and in the quality of life of persons living in an agricultural community by developing programs, services and facilities based on needs in the agricultural community.

That remains my question. There are many exceptional community leagues in both Edmonton, Calgary, and I'm sure other cities, but do they know what in fact is in this Bill and what you're referring to?

Thank you, Mr. Chairman.

[Motion on amendment A1 lost]

[The clauses of Bill 9 agreed to]

[Title and preamble agreed to]

THE CHAIRMAN: Shall Bill 9 be reported?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

Bill 12 Services to Persons with Disabilities Foundation Act

THE CHAIRMAN: The hon. Minister of Family and Social Services.

MR. CARDINAL: Thank you very much, Mr. Chairman. On March 18, 1996, the Services to Persons with Disabilities Foundation Act received second reading. Since the introduction of this Bill I have received recommendations from both government members and members opposite on amendments to this Bill. Therefore, I seek leave to introduce the following amendments to Bill 12. In amendment A the title of this Bill will be changed to Persons with Developmental Disabilities Foundation Act. This amendment clarifies that this foundation will serve the needs of people with developmental disabilities.

THE CHAIRMAN: Okay.

MR. CARDINAL: I have a second.

THE CHAIRMAN: You want two amendments?

MR. CARDINAL: I have a second amendment.

THE CHAIRMAN: Okay. That'll be known as A2.

MR. CARDINAL: Okay. In amendment B section 3(2) of the Bill is amended by deleting "or any other activity."

THE CHAIRMAN: Hon. member, in actual fact you can't have

two amendments on the floor at the same time, so perhaps we've misspoken. This is amendment A1, with two parts. Is that so?

MR. CARDINAL: That's right. Yeah.

THE CHAIRMAN: Good.

MR. CARDINAL: The second part, Mr. Chairman, is that section 3(2) of the Bill is amended by deleting "or any other activity." This will ensure that the funds raised by the foundation will only be used for capital projects, pilot projects, and research.

Mr. Chairman, I thank the hon. members of this House for providing these recommendations.

THE CHAIRMAN: The hon. Member for Edmonton-Rutherford.

MR. WICKMAN: Thank you, Mr. Chairman. I'm going to speak on Bill 12. I want to say on Bill 12 that I'm supporting the Bill, but . . .

THE CHAIRMAN: Hon. member, the amendments have been moved, so we must speak to the amendments before you just speak to the Bill. Okay?

MR. WICKMAN: I certainly am, Mr. Chairman. Thank you for pointing that out.

I was just going to say that I do intend to support the Bill, with some strong reservations, with the amendments as presented by the Minister of Family and Social Services. In particular, I am delighted with the amendments that the minister has brought forward. I have no problem supporting those. I support those with a very strong endorsement. I'm talking in terms of some elements of the Bill that I can speak to later on.

Mr. Chairman, we've consulted, and I believe that all members of this caucus will support the amendments as presented by the minister, because the amendments reflect what some elements of the community have requested. There was particular concern that "developmental" be included prior to "disabilities" because those with physical disabilities don't want to be lumped into an all-encompassing type of category. They don't want the perception left that this is applying to their particular type of facility, like the Sir Douglas Bader Tower, for example.

10:00

So the first amendment brought forward by the minister is very, very good. The Premier's council will be very delighted that that one has been brought forward by the minister, and I give the minister full marks for bringing it forward, even though it was at the urging of this caucus. At least he is a minister that will listen to this opposition, and that's a credit to him, because at times there are some real words of wisdom that come from this opposition.

Now, amendment B, the reference to "any other activity", which will now be deleted from the Bill, any other activity concerned. Other organizations out there that are involved in certain aspects of improving the lifestyles of persons with disabilities did not want this Bill to be so encompassing that it would encroach on the types of activities that they do. This Bill is in place to set up a foundation dealing specifically with a number of facilities that provide a choice – and that's the key word, "choice" – in terms of accommodation for persons with developmental disabilities.

Now, the third amendment that I had requested the minister to

move he was not able to, but I do want to speak on that, and I will speak on that after we deal with these amendments.

So, Mr. Chairman, on that particular point, I'm going to conclude my discussion only on those amendments, but I have some other comments I want to make in regards to the Bill.

SOME HON. MEMBERS: Question.

THE CHAIRMAN: So the question is called. [interjection] Sorry?

MRS. HEWES: The first amendment only, sir?

THE CHAIRMAN: Well, we've already agreed that this is amendment A1 with the A part and the B part.

MRS. HEWES: Are you taking the question as both parts, sir, or are you separating it?

THE CHAIRMAN: It was moved as one with two parts.

MRS. HEWES: Then may I speak to the second part, the B part, Mr. Chairman?

THE CHAIRMAN: Yes.

MRS. HEWES: I'm supporting both of these amendments, Mr. Chairman. It was absolutely essential that we strike out "or any other activity", but I still have some concern that 3(2) is not as clear as I would like. I take it from what the section and the amendment say that it rules out the foundation raising any funds for operational activities so that the foundation, then, if one follows that thought through, is not responsible for any operational activities of any institution or program for persons with disabilities but simply is there to raise money for capital projects or research.

The other thing that's not clear here, Mr. Chairman, is that "the Foundation may . . . solicit and raise funds". May they also raise funds from the government? Is it possible or is it intended that the government will place funds in this foundation as a start-up or as a continuing part of government's responsibilities?

Perhaps the minister will answer those questions before we take the vote, Mr. Chairman.

MR. CARDINAL: You know, the striking out of "other activity" to start with is very clear. The money is intended not for program delivery but for capital and pilot projects and research. So that's clear.

The other area. You know, Public Works, Supply and Services will be transferring lands valued at least \$12 million to the foundation initially as a start-up. Therefore, yes, there will be some capital transferred initially to get the foundation rolling. The value's at least \$12 million at this time.

MRS. HEWES: But the intent is that the cost of operation of the facilities, whose ownership will be transferred to the foundation, will still be provided for by the government. Under contract with the board or with whom? I'm not sure I understand this as yet. The foundation is there, Mr. Chairman, if I understand the minister, to raise funds for capital programs. They are going to have transferred into their ownership the current and existing facilities. But who is going to be paying for the operation of

those facilities on a continuing basis, and how will that be contracted?

MR. CARDINAL: I could answer that, Mr. Chairman. There will be an advisory board set up to oversee the facility, for example the Michener Centre, who will be doing the contracting and ongoing administration of that particular portion. The foundation will solely be there to administer the capital assets that will be transferred and will continue to administer those on behalf of the board.

THE CHAIRMAN: The hon. Member for Edmonton-Highlands-Beverly.

MS HANSON: Thank you, Mr. Chairman. Mr. Minister, now that we're on this subject, I'm getting curious about it. Will the government be responsible for the maintenance and the repair of those buildings over the years, or will that be the responsibility of the foundation?

MR. CARDINAL: No. Mr. Chairman, the government will have the responsibility to maintain on an ongoing basis those facilities.

[Motion on amendment A1 carried]

THE CHAIRMAN: The hon. Member for Edmonton-Rutherford.

MR. WICKMAN: Are we speaking on the Bill now?

THE CHAIRMAN: That's why we're calling it, yes.

MR. WICKMAN: Thank you, Mr. Chairman. First of all, thank you to the minister for bringing forward those two amendments and including them as part of the Bill. It has addressed some of my concern, but there is another concern there, and it's a concern that really, really bothers me, and it's going to nag away. I hope years from now that I don't look back and regret what we've done here tonight, at least myself, in terms of supporting this Bill.

We're not talking in terms of a population here that can readily speak out for themselves. We're not talking in terms here of residents of the Sir Douglas Bader Tower. If an advisory council or a foundation tried to do something to – pardon the expression – shaft that particular group of residents, they would fight back. If the government tried to suddenly cut off funding from them saying, "Well, we've set up a foundation, so now we don't have to provide you any funding any longer," the residents of Sir Douglas Bader Tower would not tolerate it. They would fight back. But unfortunately most of these people that are affected by this Bill are not in a position to fight back. So it becomes, Mr. Chairman, a matter of trust.

I am in this instance an individual member putting a great deal of trust in the hands of the minister that he is doing the honourable thing, he's doing what is in the best interests of those residents that will be affected, and that two years down the road we don't hear that because they've been successful in, say, raising a couple of million dollars, suddenly government is going to cut back on its responsibility. It is a responsibility, and it's a responsibility that no member of this House should ever forget, because these are people that are not capable of looking out for themselves. They rely on guardians, they rely on parents, they rely on relatives, and they rely most of all on the good faith of the government to fulfill that obligation to them.

So, Mr. Chairman, it is with that reservation that I expect that the minister will exercise that responsibility to ensure that doesn't happen, to ensure that no one organization takes control of the foundation and the regional advisory boards that will come down in the fall and work that for their own self-interest, that the minister will maintain control, that the minister will ensure that these residents don't feel the brunt end of a Bill that I may have read wrong. I hope I'm not reading the Bill wrong.

In conclusion I'm just saying to the minister: I'm putting a great deal of trust in you, and on this particular one don't let me down.

10:10

THE CHAIRMAN: The hon. Member for Edmonton-Highlands-Beverly.

MS HANSON: Thank you, Mr. Chairman. I just very briefly wanted to speak to this Bill. I have the same reservations as have been mentioned by other people, and I think it's because of the clientele that are affected by this Bill. With the amendments I feel a little better about it, but I probably will have nagging concerns until the whole thing plays itself out in the community and we see how it turns out.

I believe that the most important principles about this Bill for me are an assurance that the local authorities will continue to offer a wide range of services and that existing facilities won't be arbitrarily shut down. I know we've talked about that a fair bit, the shutting down of institutions, but as you're I'm sure well aware yourself, there's a great range of personal choice at stake here. I think moving the decision-making to the community is a positive step but only if the future of the current facilities is ensured by the government. We have to ensure that we maintain a continuum of services that can meet a wide range of persons with disabilities, and, as I've mentioned before, the whole business of self-determination and independent living as well as institutional living.

There's also this little nagging worry about the boards, because the success of these reforms is going to rest on the boards – that's just crucial – and the composition of the boards. We need, if possible, to have representation from some people with developmental disabilities, with their families, professionals, the whole wide range. I do believe that success or failure will fall on how those boards operate and whether they're impartial and whether they understand the programs they're overseeing.

Mr. Chairman, the important principle here is individual and family choice. I will support the Bill. I think it's a move in the right direction, but I trust that it works out when it's played out in the community.

Thank you.

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

MRS. HEWES: Thanks, Mr. Chairman. Just if I can add some questions, and perhaps the minister can answer them as well. I think both the Member for Edmonton-Rutherford and the Member for Edmonton-Highlands-Beverly have spoken very eloquently about our concern about the vulnerable constituency this Bill deals with, and I know the minister is certainly concerned about that as well.

There's still, in my view, some lack of clarity. The Member for Edmonton-Highlands-Beverly spoke about the boards. This Bill refers only to the board of the foundation, and if I understand it correctly, there will be other boards, some of which currently exist to manage the operation part of the facility which the

minister or the department will contract with to continue. Perhaps the minister could reinforce that notion of mine if it is in fact the case.

Mr. Chairman, I just wanted to comment on section 4, Mr. Minister. This still keeps the control in your hands and in the department to ensure that the thing is functioning right and is not improperly executing its authority, as described by the other members.

Section 5. I note in this Bill, Mr. Minister, a considerable similarity to the hospitals foundation Act. Much of the wording is the same. Now, in section 5, as we describe it, "The Foundation is an agent of the Crown in right of Alberta." Is that creating the same status as in the hospital foundations Act that we've already dealt with as well and given second reading to, I think? What's the number of that Act? I had it right here a few seconds ago. Mr. Minister, it is regulated by federal legislation that requires that they are donations of over \$5,000, and they would be available for a tax receipt a hundred percent. Does the same thing maintain here? If so, does that put this foundation, then, in competition with the University Hospitals Foundation, the University of Calgary Foundation, the Mount Royal College, the Fairview College Foundation, and every other foundation in the province that cannot give tax receipts of that size, can only give tax receipts of 50 percent or 75 percent while this one can give a hundred percent? Is that what we have here in section 5, and have all those other foundations agreed to it? I just need some clarification there, Mr. Minister.

MR. CARDINAL: There are a number of questions. I have reservations, too, but not on this Bill.

On the questions you asked earlier, I didn't have the information, but I do have it now. In relation to expenditures, Public Works, Supply and Services presently expends over \$5.5 million annually to maintain the SPD facilities. In addition, about \$300,000 is spent annually on telecommunications. We are in negotiations with Public Works, Supply and Services right now to determine how best we may administer this through either department. So it will still be administered by the government.

In relation to control, there's some concern that the government may not have control of the whole process of these services. The design of the whole reform in services to persons with disabilities allows full control by the ministry on an ongoing basis. In fact, even all the staff will be reporting to the government rather than to the boards in this particular case. So we will have full control.

In relation to the foundation, yes, it's designed similarly to the health foundation, except that we haven't arrived at the \$5,000 minimum yet. We are discussing that at this time. It's something that could come under regulations. So that's under discussion. If you have further concerns on that, we can address that in the near future.

So generally that's what I have at this time.

[The clauses of Bill 12 as amended agreed to]

[Title and preamble agreed to]

THE CHAIRMAN: Shall Bill 12 be reported? Are you agreed?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

MR. DAY: Mr. Chairman, I move that the committee rise and report.

[Motion carried]

[Mr. Clegg in the Chair]

MR. TANNAS: Mr. Speaker, the Committee of the Whole has had under consideration certain Bills. The committee reports the following Bills: Bill 7, Bill 8, Bill 9. The committee reports the following Bill with some amendments: Bill 12. I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

10:20

THE ACTING SPEAKER: All those in favour of the report, please say aye.

HON. MEMBERS: Aye.

THE ACTING SPEAKER: Those opposed, if any, please say no. Carried.

[At 10:21 p.m. the Assembly adjourned to Wednesday at 1:30 p.m.]