Legislative Assembly of Alberta

Title: Tuesday, June 10, 1997 8:00 p.m.
Date: 97/06/10

head: Private Bills
head: Committee of the Whole

[Mr. Tannas in the Chair]

THE CHAIRMAN: I would like to call the committee to order.

Bill Pr. 1
TD Trust Company and Central Guaranty Trust Company Act

THE CHAIRMAN: Hon. Member for Banff-Cochrane, are you standing on this one? Who is? No one is. Oh; Calgary-Lougheed.

MS GRAHAM: Yes. Mr. Chairman, on behalf of the Member for Calgary-Currie I would move that the question be put on Bill Pr. 1.

THE CHAIRMAN: There are no comments or amendments?

[The clauses of Bill Pr. 1 agreed to]

[Title and preamble agreed to]

THE CHAIRMAN: Shall the Bill be reported?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

Bill Pr. 2
The Bank of Nova Scotia Trust Company, Montreal Trust Company of Canada and Montreal Trust Company Act

THE CHAIRMAN: The hon. Member for Grande Prairie-Wapiti.

MR. JACQUES: Thank you, Mr. Chairman. I'd like to reference Pr. 2, being The Bank of Nova Scotia Trust Company, Montreal Trust Company of Canada and Montreal Trust Company Act, and I would move that the question be put to the members.

THE CHAIRMAN: There's no further discussion?

[The clauses of Bill Pr. 2 agreed to]

[Title and preamble agreed to]

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

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

AN HON. MEMBER: Question.

THE CHAIRMAN: That's not helpful, madam.

Bill Pr. 3
Trans Global Insurance Company Act

THE CHAIRMAN: The hon. Member for Calgary-Lougheed.

MS GRAHAM: Thank you, Mr. Chairman. As chairman of the Committee on Private Bills I'd like to speak briefly about Bill Pr. 3, the Trans Global Insurance Company Act, and also clarify for members of the Legislature the procedure followed by the committee in arriving at the recommendation that was reported to this Legislature in my report approximately a week ago, which was adopted by the committee, and also tell you about the work that goes into seeing that these Bills arrive here in the form that they are.

The reason I'm doing this is that in reviewing the *Hansard* transcript from yesterday, I see that there were some suggestions made in relation to this Bill, that if it were to be passed, it would open the door to private health care insurance, which would somehow equate to opening the door to private health care in this province. So I would just like to make a few points for members of the Legislature, those of you that aren't members of our committee.

Firstly, this is an all-party committee; in other words, there are opposition members sitting on the committee. Secondly, the petitions and the draft Bills, when they are received, are scrutinized very carefully by Parliamentary Counsel and by the departments that are involved or may be affected. They are further scrutinized by our committee when we hold hearings. We hold full hearings where all members are entitled to question and cross-examine the petitioners. Of course, the proceedings are recorded and reported in *Hansard*. After the hearing the deliberations of the committee – and these are full deliberations – are also recorded and reported in *Hansard*. As a result of that, I made a report to this Assembly not too long ago reporting the recommendations of the all-party committee.

In this case, the purpose of this Bill is to incorporate an insurance company with a head office in Calgary, Alberta, to offer property and casualty insurance. For those of you who may not be aware of it, this is the only method to incorporate an insurance company in Canada: by way of a private Bill. Albertans have the right to apply to our committee, to this Legislature for private legislation granting them a charter to operate an insurance company in the province. The role of the committee is to ensure that the petitioners and their Bill incorporating their insurance company comply with the requirements of the Insurance Act. Really, our role is no further than that. It's a two-stage process, and we are stage one in either recommending that the incorporation proceed or not.

Once incorporated the parties who have incorporated the insurance company must then apply to the superintendent of insurance for a licence before they can operate in the province, and this is where the due diligence type examination takes place. At this stage the superintendent of insurance will ensure that there is a sound business plan, that the management is competent and sound, that the directors, shareholders, and executives are reputable people – in other words, without shady backgrounds or criminal records – and, further, that this insurance company is adequately capitalized and in all respects complies with the Insurance Act.

During the debate on this Bill certain opposition members imputed an intention on behalf of the petitioners to sell private health insurance. It must be borne in mind by all of us here that the ability to write health insurance is not prohibited by the Insurance Act of Alberta. However, our health legislation does prohibit insurance companies from writing health insurance for types of insurance that would cover medical services covered by Alberta health care. So, in other words, to simply engage in the

sale of private health insurance is not illegal in this province.

Certain amendments were requested by the petitioners, and these were recommended by both Parliamentary Counsel and by the superintendent of insurance so that this Bill complied with the Insurance Act. Thus I am moving at this point that Bill Pr. 3 be amended in accordance with the amendments that have been circulated to all members here tonight and should be in front of you.

THE CHAIRMAN: Just to check, hon. member. This will be known as amendment A1 on Bill Pr. 3, and I hope that everybody has it now.

MS GRAHAM: Thank you, Mr. Chairman.

THE CHAIRMAN: Okay. Any comments, then, on the amendment?

MR. DICKSON: Mr. Chairman, I haven't seen the amendment yet that's been introduced. Okay. No, that's fine. I've got no comments on this amendment.

Thanks, Mr. Chairman.

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

MR. MacDONALD: Yes. Thank you, Mr. Chairman. I would like to say a few words on amendment A1 on Bill Pr. 3, section 4(1), the deletion of powers. To delete subsection (1) and (3), I don't understand why. Now, this subsection (1):

> The company shall have all of the powers provided under the Insurance Act and shall only exercise its powers in a manner consistent with the Insurance Act and this Act.

I was a member of this committee, and I think that this should be left as it is; also, subsection (3).

Thank you.

THE CHAIRMAN: Any further comments?

[Motion on amendment A1 carried]

8:10

THE CHAIRMAN: Any further comments? Calgary-Buffalo.

MR. DICKSON: Thanks very much, Mr. Chairman. I do have some comments to make. In fact, I'm moving a further amendment. This amendment I think has been distributed already. I'd ask that this be marked A2. This is one I'm moving in the name of and on behalf of the Member for Edmonton-Riverview.

THE CHAIRMAN: I don't know how many amendments you have, hon. member. Is this the one that's on section 5(1)?

MR. DICKSON: Yes.

THE CHAIRMAN: Okay. That's A2. Good.

MR. DICKSON: I'd just assure members that the Table has signed copies, even though the ones that were passed out – everybody may not have a signed copy, but certainly the Table officers clearly do. The purpose of the amendment is to expressly stipulate that private health care insurance would not be a class of business pursuant to section 5(1) that the Trans Global Insurance Company would be authorized and empowered to engage in.

Now, the Member for Calgary-Lougheed reviewed the involvement and pointed out that this was an all-party committee that dealt with the proposal from Trans Global Insurance Company – and I respect that – but I think that member would also acknowledge that the Liberal members on that committee had raised concerns. I think it's somewhat inaccurate to say that the job of this Assembly is simply to determine whether the proposal is consistent with the existing Insurance Act and to ensure it doesn't offend other outstanding current legislation. In my respectful submission the Legislative Assembly is sovereign, and if in fact we are concerned about the role of private health insurance in the province of Alberta, we have not only the opportunity but indeed the responsibility to say so. We're entitled to make that a condition. We're entitled to impose that kind of a limitation in the class of business that any insurance company can carry on. It may be that it should apply to every insurance company and that the Insurance Act should be amended, but hon. members will appreciate that the Insurance Act of Alberta isn't in front of us. Bill Pr. 3 is, however, and we are entitled to make a decision in the area of a public policy decision.

I note that the Member for Calgary-Lougheed expressly said that the Trans Global Insurance Company wants to engage in property and casualty insurance. If indeed that is the case, then there would appear to be no prejudice to Trans Global with the amendment that's been put forward by my colleague for Edmonton-Riverview.

The Member for Calgary-Lougheed made a representation. She said that some members of the opposition have imputed an intention to Trans Global Insurance Company to engage in private health insurance. I'm not a member of the committee that she chairs and is part of, so I can't speak to what was said by any of my colleagues at the committee. I'm not here tonight, however, imputing any intention. I'm simply saying that as a matter of public policy I think that there should be a prohibition. I think that there should be a barrier and that we're entitled to make it. We're sovereign; we have the authority and the power to make it.

It seems to me it's not a question of what is illegal under the current insurance legislation or health legislation in this province. There are different circumstances that obtain now than obtained when the existing Insurance Act was written or last amended. The opportunity is there, and I encourage all members to embrace this opportunity and support the amendment put forward as A2.

Thanks very much, Mr. Chairman.

[Motion on amendment A2 lost]

[The clauses of Bill Pr. 3 as amended agreed to]

[Title and preamble agreed to]

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

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

Bill Pr. 4
Trans Global Life Insurance Company Act

THE CHAIRMAN: The hon. Member for Calgary-Lougheed.

MS GRAHAM: Yes. Thank you, Mr. Chairman. With respect to Bill Pr. 4, Trans Global Life Insurance Company Act, I would

reiterate the same comments that I made in relation to Bill Pr. 3, and I would also like to move on behalf of the Member for Banff-Cochrane that this Bill be amended in accordance with the amendments that have been circulated to all members.

THE CHAIRMAN: This amendment that's been circulated will be known as amendment A1 to Bill Pr. 4. Are there any comments?

[The clauses of Bill Pr. 4 as amended agreed to]

[Title and preamble agreed to]

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

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

Bill Pr. 5
Kenneth Garnet McKay Adoption Termination Act

THE CHAIRMAN: The hon. Member for Calgary-Lougheed.

MS GRAHAM: Yes, Mr. Chairman. On behalf of the Leader of the Opposition I would move that Bill Pr. 5, being the Kenneth Garnet McKay Adoption Termination Act, be amended in accordance with the amendment that has been circulated to all members of the Legislature.

THE CHAIRMAN: The amendment, which has been circulated, we call A1 to Bill Pr. 5.

[The clauses of Bill Pr. 5 as amended agreed to]

[Title and preamble agreed to]

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

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

8:20

Bill Pr. 6
Canadian Union College Amendment Act, 1997

MR. BRODA: On behalf of the hon. Member for Lacombe-Stettler I move that the question be put on Bill Pr. 6, Canadian Union College Amendment Act, 1997.

[The clauses of Bill Pr. 6 agreed to]

[Title and preamble agreed to]

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

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

Bill Pr. 7
Altasure Insurance Company Act

MS GRAHAM: Mr. Chairman, I would reiterate the same comments I made with respect to Bill Pr. 3, and on behalf of the hon. Member for Calgary-West I would move that Bill Pr. 7, the Altasure Insurance Company Act, be amended in accordance with the amendment circulated to members in the House.

THE CHAIRMAN: We have the circulated amendment A1 as proposed by the hon. Member for Calgary-Lougheed.

[Motion on amendment carried]

THE CHAIRMAN: The hon. Member for Calgary-Buffalo.

MR. DICKSON: Thank you, Mr. Chairman. There is a further amendment which is being delivered or hopefully has been distributed to all members. This is an amendment I'm moving on behalf of my colleague for Edmonton-Riverview. The amendment is as follows: in section 5(1) by adding "and private health care insurance" after "life insurance." I repeat and incorporate herein by reference everything I said a few moments ago on Bill Pr. 3.

Thanks, Mr. Chairman.

THE CHAIRMAN: The amendment is A2. Any discussion?

[Motion on amendment A2 lost]

[The clauses of Bill Pr. 7 as amended agreed to]

[Title and preamble agreed to]

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

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

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

Bill 21
School Amendment Act, 1997

THE CHAIRMAN: The hon. Minister of Education.

MR. MAR: Thank you, Mr. Chairman. I wish to put forward some amendments to Bill 21, and I'll ask that those be circulated.

THE CHAIRMAN: In the record that I have, your amendment known as A5 was defeated.

MR. DICKSON: It hasn't been voted on, Mr. Chairman. The vote was on the adjournment.

THE CHAIRMAN: Anyway, hon. member, our records in two different ways, one that's kept by the Chair and one that's kept by the Clerk, both show that amendment A5 was defeated by vote. That's the best I can do. I'd have to see *Hansard*.

MR. MAR: To the best of my recollection, Mr. Chairman, A5 was not voted on.

THE CHAIRMAN: If A5 was not voted on, then we must go to it.

Amendment A5 was defeated, so we are now able to take further amendments or discussions. The amendment that's been

proposed is now circulated, I would imagine, and we're going to call it amendment A6.

MR. MAR: Thank you, Mr. Chairman. This amendment A6 will affect three sections of the School Amendment Act, 1997. I'll make my comments short on this. Section 19 of Bill 21 amends section 114(1) of the Act. This is the section that deals with teacher access to the board of reference. Once Bill 21 was tabled, the Alberta Teachers' Association did express concerns about the original wording of the section because it included teachers at levels below those of chief deputy, deputy, associate, and assistant superintendents. The Alberta Teachers' Association was able to work with the Alberta School Boards Association to reach an agreement on the wording of this amendment. This sort of co-operation bodes well, and this amendment has my support.

Mr. Chairman, section 26(d) of the Bill relates to section 204(8.1) of the Act. This is the section that deals with the establishment of separate school districts. As I re-reviewed this section, I found a discrepancy between the new subsection (8.1) and the existing section 206(1) of the Act. The original wording of subsection (8.1) bases a decision to establish a separate district on the number of "votes validly cast," but the critical number in 206(1) of the Act is "the majority of the separate school electors present at the meeting at which a quorum is present." As we all know, electors sometimes abstain from voting, so the number of electors present can be greater than the number who actually vote. This amendment will make section 204(8.1) subject to 206(1), so the critical number to establish a separate school district continues to depend on the number of electors present at the meeting.

8:30

The third part, Mr. Chairman, the amendment to section 27 of the Bill, changes section 208.4(1)(b) of the Act. This section deals with the second generation of regional divisions; that is to say, those created by voluntary regionalization. The original wording in this section was not clear enough to allow two existing regional divisions to join together as a new regional division and carry forward the original wards of the regional divisions. So to make sure that that is perfectly clear, I'm proposing to change the wording to:

> where an area governed by a board before the regional division was established was itself a regional division that consisted of wards, each of those wards is one ward in the regional division.

Mr. Chairman, those are the amendments that I put forward in A6, which I view to be housekeeping amendments to the School Amendment Act, 1997.

Thank you.

THE CHAIRMAN: The hon. Member for Edmonton-Mill Woods on amendment A6.

DR. MASSEY: Do I understand that all three are one amendment, or are they being treated as three separate amendments?

THE CHAIRMAN: It's my understanding that it is coming through as one amendment, although there are three parts to it, yes.

DR. MASSEY: Okay. I would just like to say that we agree with the intent and in fact the wording of the changes to section 114(1), because for those employees who are designated at supervisory or director levels in schools districts and are often paid outside the collective agreement, it still gives them access to the board of reference. So in terms of making the board of reference available to those employees, we concur with the changes. In fact, the problem had been identified prior to this evening in our previous discussions on this Bill, so it's good to see that the changes have been made. As the minister indicated, as much of Bill 21 has been crafted, those interested parties affected by it have been consulted. Again, that's something we concur in and applaud the minister for taking that kind of initiative and helping us, particularly when we come down to amendments at this late date.

As I understand it, on the quorum for meeting – and this is for the establishment of a new school district – there's been difficulty with people being at the meeting not actually ending up voting. This tries to rectify that, so when you talk about majorities or tie votes, it makes clear exactly who's to be included in that number. I also understand that there has been some consultation on this with the parties who might be affected and that they concur with it. So we're, again, pleased that is there and that it makes clear to those people who are trying to form a school district exactly what kind of rules they will operate under.

The last one, as the minister I think has indicated, is really again a tracking as school regions expand and encompass more regions, that the original wards can be tracked in case at some time in the future there is the need for a plebiscite to be held. The citizens who made up the original ward will be intact, so they can be the ones that will actually be identified for the plebiscite purposes.

We concur with the amendments and thank the minister for the kind of consultation that he's been engaged in. Thank you.

[Motion on amendment A6 carried]

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

DR. MASSEY: Thank you, Mr. Chairman. I'd like to introduce a further amendment to Bill 21. If I may distribute that.

THE CHAIRMAN: For the record this amendment will be known as A7, and we'll just give a minute so the minister can see it first.

I think most people have the copy by now. We'd invite the hon. Member for Edmonton-Mill Woods to discuss amendment A7.

DR. MASSEY: Thank you, Mr. Chairman. In section 14, 75.1(1), we're suggesting that wherever the phrase "without limitation" occurs in this section, it be struck. I know that the amendments have been vetted with the Teachers' Association and that this has to do with certification and with some of the governing groups. That aside, as we looked over the Bill, as in the minister making regulations "governing the issuing of certificates of qualification to teachers" and then a whole list of regulations from the "issuance of different classes of certificates" to the form and manner in which applications and information shall be provided to the education, the kind of training and experience and other eligibility requirements, the phrase "without limitation" seems to be awfully sweeping and seems to be . . .

MR. DICKSON: Excessive.

DR. MASSEY: Yes. Excessive, I think, is the word.

That phrase applies a number of times throughout this section of the Bill, governing appeals, the decision to refuse a certificate, and again, without limitation making regulations. You can go

through the Act. You can see that phrase repeated a number of times, Mr. Chairman, and we think that it gives to the minister a power and the impression in the Act that maybe wasn't originally intended. Certainly it makes it very difficult for those people dealing with the Act to know exactly what the Act might intend or what the minister might do when those phrases are there as they are. Our amendment would have those phrases struck from these sections of the Act.

Thank you.

THE CHAIRMAN: Okay. Any further comments or discussion on amendment A7?

[Motion on amendment A7 lost]

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

8:40

DR. MASSEY: Thank you, Mr. Chairman. This is our last amendment and one that is probably broader in scope than anything we've presented, because we're asking for a particular section of the Bill to be struck.

THE CHAIRMAN: If it is agreeable, we'll begin.

The hon. Member for Edmonton-Mill Woods on amendment A8.

DR. MASSEY: Thank you, Mr. Chairman. This amendment would amend Bill 21 by striking out section 23. For those in the House that don't have the Bill in front of them, section 23 is that part of the amendment to the School Act that deals with the removal of the audit board. Again, this was vetted through the Alberta School Boards Association, the Alberta Catholic School Trustees Association, and the Public School Boards' Association, but we wondered if they really understood the significance of this section, that the removal of this really removes outside eyes looking at $1.5 billion spent out of the Alberta school foundation fund. We think that if it was looked at in that light, they may have also raised some objection.

Now, I think the rejoinder, the reason for this being done, is that it can be argued that the Auditor General provides this oversight and can go over the books of school boards. But we also have to remember that the Auditor General has been able to do that for the last 20 years or so. We see no reason to have this deleted at this time.

Thank you.

MR. MAR: Mr. Chairman, I have given careful consideration to this particular amendment, but I cannot support the motion. Section 23, as the hon. member has indicated, was a direct response to a recommendation by the Auditor General to remove duplication in monitoring the Alberta school foundation fund by removing the ASFF Audit Board. ASFF is already monitored effectively by the Financial Administration Act and the Auditor General Act.

At the same time, Mr. Chairman, I understand why the hon. member would make this motion. He would be correct in saying that key education stakeholders who served on the audit board want a continuing say in education financing. Being "outside eyes" I think is the phrase he used. I'm aware of this, and I'm prepared to work with those stakeholders to meet that request without enshrining a redundant audit board in the legislation, and I would urge members to support Bill 21 without this amendment.

Thank you.

[Motion on amendment A8 lost]

[The clauses of Bill 21 agreed to]

[Title and preamble agreed to]

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

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

Bill 25
Alberta Corporate Tax Amendment Act, 1997

THE CHAIRMAN: Are there any comments, questions, or amendments?

The hon. Member for Edmonton-Mill Creek.

MR. ZWOZDESKY: Thank you very much, Mr. Chairman. I want to just rise briefly to make a few comments here at committee stage. I spoke at some length yesterday to the spirit of the Bill, and I did say to the hon. Provincial Treasurer that I would save some details for committee stage. While we support the spirit of the Bill and generally the gist of the Bill, there a few concerns that I wanted to relate for purposes of the record.

Just to recap here very quickly, Mr. Chairman, we understand that the main purpose of Bill 25 is to in fact update the Alberta Corporate Tax Act such that it would comply with federal tax changes that were announced a couple of years ago in previous budgets by the federal government, and we certainly support that. Secondly, of course, we're understanding that the Bill basically does tighten up that definition of the qualifying royalties under the ARTC program, that being the Alberta royalty tax credit program, which will ensure that oil sands operators can't now make a claim under the program, so that is a point of good clarity which was necessary. Thirdly, we understand that the Bill basically provides for streamlining and consolidation of provisions that deal with the terms and conditions surrounding and authorizing the communication and use of tax information and tax records. Finally, one of the highlights is the increased time period of assessment as it relates to tax, interest, and penalties and entitlement to tax credits in particular as they apply to the ARTC. So that's the backdrop against which the Bill has been crafted and drafted. As I say, the Liberal caucus does support this legislation in principle.

Just specific to some of the actual sections, I was particularly struck, for example, with section 22, which is where the compliance with federal tax changes occurs. Essentially this increases the refundable tax on investment income of Canadian-controlled private corporations. Existing rules provided a tax deferral opportunity on investment income earned directly by an individual through a corporation, as I said yesterday. Now, interest income earned by a corporation is taxed at approximately 45 percent, Mr. Chairman, and the income, if earned by an individual, would usually attract a rate in excess of 50 percent, depending on the province of residence.

In Alberta I think it's been a long-standing tradition, insofar as I can remember at least, where we have had this ongoing dialogue at the personal tax level when we talk about how it should be administered. There are people who say that we should be moving away from this tax-on-tax system and moving more to a direct tax-on-income scenario. So instead of Albertans paying a tax – and I'm talking personal income tax here – based on a

percentage of what they've paid in tax to the federal level, they might have an opportunity to instead pay a tax directly on the income portion. I think that merits some further discussion, because it has some great implications for the flexibility in our taxation system here in the province and probably is something that most Albertans would at least enjoy hearing more about.

8:50

The 1995 federal budget eliminated this tax deferral I referred to by introducing a refundable tax of 6.23 percent on investment income, other than taxable dividends of course, as earned by Canadian-controlled corporations. This will increase the corporate tax rate, then, to approximate the highest rate applicable to individuals, up from 45 percent to about 50 percent. So those are some of the comments in relation to section 22.

Now sections 26 and 106, the interpretation and application of the ARTC, merit some comments as well. Essentially these sections clarify the interpretation and application of tax credits under the ARTC program to qualified royalty so that ARTC claims with respect to oil sands are not permitted. I think that's rolled in now because the Act specifies and includes reference to the Mines and Minerals Act. So it closes up a bit that loophole that I talked about yesterday. I think that's a refreshing suggestion, and people in the industry probably have welcomed it because it leaves little room for error on their part, and on the government's part it would probably prevent any unnecessary court challenges and high court fees. I don't think anybody wins from the pocketbook side by going to court, so that's a good move. In fact, the qualified royalty does not include a royalty receivable by the Crown under a lease that grants rights to oil sands, as defined in the Mines and Minerals Act that I referred to. So those two sections, actually, are well enunciated in that regard.

Section 43, which is the reassessment of the ARTC program, essentially expands the time period under which the Provincial Treasurer may make a reassessment or additional assessments or assess tax, interest, or penalties, or the time he needs to determine the entitlement for a refundable tax credit in the case where a corporation has filed an objection under the Act. I think it's been the case and the experience of the government that they needed extra time to do those assessments.

THE CHAIRMAN: We seem to have a little bit of noise gathering here. I wonder if we could respect the speaker.

DR. TAYLOR: Just excuse me, Mr. Chairman. We've had a lot of static from the back row. We actually lost the speaker system.

MR. ZWOZDESKY: Mr. Chairman, I see my light is still on. So are you receiving me up there, *Hansard*, loud and clear? Okay. Thank you, Mr. Chairman. With that minor interruption, I'll proceed now.

I was talking about section 43, wherein the Provincial Treasurer will now be allowed a bit more time to make the assessments, reassessments in relation to the areas I mentioned. I think that's probably necessary and very welcome by the government officials who have the task of doing those reassessments.

This section also expands by one additional year the time period under which the Treasurer may exercise his powers of reassessment or redetermination in relation to the royalty tax credit and royalty tax credit gas supplement that result from notice of objection or that result from an appeal that might be filed pursuant to this Act. That additional year, I'm sure, will give a better chance for justice to prevail and will allow for a more thorough examination to protect both sides. In this particular case at least it gives the Treasurer and his staff some additional time to do their due diligence, if that's what I could refer to it as here.

Section 64 deals with third party information. Essentially this is compliance again with the federal tax change as it applies to obtaining tax information from third parties. In essence, as I understand this section 64, the Provincial Treasurer will no longer have to prove to a judge that it is reasonable to expect that the person may have failed to comply with the Corporate Tax Act and will no longer have to prove that the information is not otherwise readily available to obtain judicial orders for the production of information from a third party. I think that, too, will streamline a lot of the processing in the determinations and the outcomes that the Treasury Department often is confronted in dealing with.

I did indicate yesterday and I would just like to re-emphasize that there is a concern here about the expansion of power of the Crown to obtain tax information from third parties. We've heard speakers in this Assembly comment numerous times, Mr. Chairman, about the importance of retaining confidentiality in relation to tax records. Now, in this particular section we do see what could be perceived as a bit of an excessive move if the Act in this section were, oh, perhaps misapplied. I'm not suggesting that would happen, but there is a perception sometimes when we're dealing with confidential issues like tax information, tax records, that that sometimes could be tempting. We would again just ask for some additional explanation regarding the necessity for that change. I can appreciate that sometimes government does need to dig a little deeper to better understand tax information from third parties, and that's the essence of what section 64 really speaks to.

Moving on to section 77, this aspect of the Bill deals with the communication of that tax information that I just spoke of and the tax records. There's a new provision here which permits the communication of information to "an employee or agent of the Government of Canada or . . . a province" with some provisos, such as:

> (i) if the tax information consists of the name, address, occupation and size or type of business of a person and is used solely . . . to obtain statistical data for research and analysis, or
>
> (ii) if the tax information consists of the identifying number, name, address, telephone number and facsimile number of an identifying number holder and is to be used solely for the purpose of the . . . enforcement of an Act of Parliament or . . . a province.

I touched on that briefly yesterday because I think it's critical that we understand what the broader powers are here in relation to the communication of this sensitive information to an employee or to an agent of the federal government or to a provincial body or a provincial government. So any amount of care and caution that can be taken surrounding the details of that information that is to be communicated has to be carefully scrutinized, and I believe that that's what this particular part of the Bill does.

Section 119 I did not have a chance to comment on yesterday. I would just say that I understand it gives the Provincial Treasurer an additional year to make the reassessments that I spoke of earlier, so really it's just a redefinition or perhaps to some extent even a regurgitation of section 43.

I do want to make a comment, however, here on something that I believe was missed. There appears to have been an opportunity here, Mr. Chairman, to capitalize on an opportunity to streamline the corporate tax forms that Albertans are required to fill out. The simple fact is that Alberta corporate tax payers still are

required to fill out two completely different sets of corporate tax forms, and I would like to see the provincial government take an initiative to somehow reduce that to one, if it's possible to do that.

Now, I understand taxation is a very complex issue, and corporate tax is particularly complex. That's why we hire experts to assist us in that regard – chartered accountants, certified management accountants, certified general accountants, and so on – but I do think that the province would take a real bold step by at least attempting to make some sort of a consolidation possible, if in fact it is possible. We have strongly supported that initiative, and I thought this Act, which is specifically the Alberta Corporate Tax Amendment Act, would have been the ideal opportunity for the Treasurer to perhaps address that area. I don't believe it has yet been addressed, so maybe at some point in the future it can be. This would help the private sector eliminate some of the overlap that occurs and some of the duplication and other potential time-consuming deeds that are required.

9:00

I note that there were discussions in fact to that extent, Mr. Chairman, with the federal government and the province of Alberta, under which the feds would have actually collected Alberta's corporate taxes. Those discussions were initiated back in 1993, but for whatever reason I believe they broke off in 1994. It's interesting that in the February 1994 report the Alberta Tax Reform Commission pointed out that tax policies should require the minimum amount of administration, and they went on to say that the efficient corporate tax administration should fulfill a number of objectives. I want to just highlight four of them.

One of them was tax harmony. The corporate tax administration, they suggested, must promote a tax regime that allows for the free flow of goods, services, and capital virtually unencumbered. The other idea was flexibility. The corporate tax administration system must allow the province to have the ability to respond to differences in the structure of our economy. The third point was with regard to simplicity. The recommendation was that the corporate tax administration system must promote a corporate tax regime that keeps compliance costs to taxpayers at a minimum. The final point there, Mr. Chairman, was with regard to transparency. The suggestion was that the corporate tax administration system must result in a corporate tax regime that ensures that taxpayers know precisely to whom they are paying that tax. There still is a need for some clarification there. Again, this would be a perfect place for those types of issues to have been addressed. Unfortunately, I don't believe they were.

The other point is with regard to the report of the western finance ministers, that is relevant here – that was just about two or three weeks ago; I believe it was on or about May 30, 1997 – wherein they pointed out that a true partnership between federal and provincial governments should be reflected in revenue collection, how it's collected, and all the administration that goes along with the application forms or the tax forms themselves.

I think, Mr. Chairman, we should again initiate some of those discussions between the feds and the province in order to promote some of that tax harmonization, to eliminate overlap and duplication, and to meet the objectives earlier stated with regard to simplicity and transparency for taxpayers. I would certainly support discussions between the government of Canada and the government of Alberta to develop such an agreement, which would in fact lead to the federal government collecting Alberta's corporate income taxes, if it will indeed make it simpler for Alberta corporations to make their way through the maze of tax time.

I think there are some principles, too, that could and should be embodied in such a new agreement. If we were to have a new tax collection agreement in relation to the collection of taxes from Alberta's corporate citizens, here are some of the ideas that I would put forward for the government to consider. One, Canada and Alberta could and should use a common tax base. Two, any special Alberta tax measures must not impede the mobility of capital, labour, goods, or services. In other words, don't let's create any sticky wickets here, and let's keep Alberta the lowest taxed province among all of our provincial cousins. Three, special Alberta tax measures should be administratable and adopt federal definitions where common terms are used. I'm a firm believer in the simplicity in this regard, and I don't think that we should require a forensic scientist to help us complete a tax form.

Four, we need a dispute resolution mechanism or a dispute resolution arbitration clause or provision where there is a disagreement on the design of provincial tax measures. I think the implications there are obvious. Five, I believe a commitment by the feds to administer parallel pools for seven years for those corporations which have different pool balances at the date of transfer would also enhance this Act and streamline things for our corporate citizens. Six, we need a commitment to continue the waiver for small Alberta businesses to pay monthly tax instalments, which would also reduce the paperwork and the compliance burden. I'm not sure it's necessary anymore for us to force our corporate citizens to provide monthly tax instalments; however, if there's a compelling argument to stay with that particular method, then I'd be prepared to hear it. Seven, we also need a transfer arrangement or a form of accommodation from the federal government in placing Alberta employees involved in corporate tax administration under a transfer arrangement in order, if nothing else, to take advantage of the expertise that they provide.

With respect to improving the simplicity, transparency, flexibility, and harmonization that I referred to earlier, I would certainly support any initiative the province might have in mind to again rekindle those discussions with the federal government, especially as it relates to the establishment of a Canadian customs and review agency. This agency should reflect the principles of provincial income tax flexibility, it should provide more accountability and transparency to taxpayers, and it should improve governance over the corporate income tax regime, which I believe is in keeping with what most Albertans would expect in a Bill such as 25 and/or flowing out of some discussions between the province and the feds at some point in the future.

I do believe Bill 25 goes a long way to clarify the coverage of the Alberta royalty tax credit program, as I mentioned, and it's important to assure the stability and certainty as it pertains to investment and drilling activity planning for producers.

I hear the bell has gone, so I'll conclude my comments there and indicate that we will be supporting this Bill 25.

Thank you.

[The clauses of Bill 25 agreed to]

[Title and preamble agreed to]

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

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

MR. HAVELOCK: Mr. Chairman, I move that the committee do now rise and report.

[Motion carried]

[The Deputy Speaker in the Chair]

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

MRS. LAING: Thank you, Mr. Speaker. The Committee of the Whole has had under consideration certain Bills. The committee reports the following: Bills Pr. 1, Pr. 2, Pr. 6, and Bill 25. The committee reports the following with some amendments: Bills Pr. 3, Pr. 4, Pr. 5, Pr. 7, and Bill 21. I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

THE DEPUTY SPEAKER: Does the Assembly concur with this report?

HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed? So ordered.

head: Government Bills and Orders
head: Second Reading

9:10

Bill 22
Environmental Protection and Enhancement Amendment Act, 1997

[Adjourned debate June 5: Mr. Hancock]
THE DEPUTY SPEAKER: The hon. Member for Edmonton-Meadowlark.

MS LEIBOVICI: Thank you, Mr. Speaker. It is an interesting debate that we've seen on Bill 22, the Environmental Protection and Enhancement Amendment Act, 1997. Even though it is a mere three pages long, the principles that are enshrined within this Bill are principles that this caucus has fought long and hard against. Basically, the principle is the delegation of ministerial responsibility and thereby the lack of accountability that flows with that delegation of ministerial responsibility to a delegated organization.

As I've indicated before, in this province delegated organizations appear to be a strange hybrid. They have one foot in the corporate world and one foot in the nonprofit world. I think if one were to look at some of the examples around the world of nongovernmental organizations and also quasi-autonomous nongovernmental organizations – quangos, as they're known elsewhere – I think we would see some major differences in how those organizations are set up as well as the differences with regards to the passing on of ministerial powers.

One of the other interesting events that occurs with the setting up of these delegated authorities is an infrastructure is developed that is even more cumbersome and even more difficult to navigate on behalf of the citizen than when there was the so-called large, unwieldy government bureaucracy. I would think that in particular the Member for Peace River would look at these Bills with a raised eyebrow, because as we know, that member is one that is against the proliferation of regulations within the province.

When we set up these delegated authorities, what we also set up with them is the proliferation of regulations. Those regulations are generally done behind closed doors; they are not subject to public debate. Those regulations cover a wide range of authorities that formerly were within the purview of a minister and were thereby subject to being monitored by the Legislative Assembly and by the public. Even as late as today there's yet another group that has indicated to the minister – it's my understanding that it's the Environmental Resource Centre – that Bill 22 would provide to the environment minister the delegation of too much power to private companies to set their own environmental rules.

Now, we've seen in the past that this government's record on the environment has been anything but stellar. In fact, I think one of the environmental associations has given this government an F as a grade in its environmental policies. Notwithstanding the grade, notwithstanding the words that have been put forward by environmental groups that have indicated that this province is weak in terms of its environmental regulations, we have in front of us Bill 22.

Bill 22, as I said, is only three pages long, but when you look at page 2 of Bill 22, what it does is change the words "regulatory boards" to "delegated authorities." That's in section 35(d), which has been repealed and where "delegated authorities" is substituted. In conjunction with delegated authorities what that then means is that "the performance of any of the Minister's duties or functions, or the exercise of any of the Minister's powers, under this Act" can be delegated. The only powers that cannot be delegated are the power to make regulations – as I've indicated earlier, those regulations are made behind closed doors – and the power to further delegate its delegated authority.

So what does that mean? What can this new delegated authority do? It's quite interesting when one looks at what kind of activities may be delegated, and I'll just give a brief overview of some of those. The delegation of disclosure of information to the public can be a ministerial responsibility that's delegated. The conducting of environmental impact assessments can be delegated. The granting of approval for an activity or registration of an activity that does not require approval – and this includes approvals for chemical plants, pulp mills, et cetera – and the issuance of a certificate of variance where an activity does not comply with an approval can be delegated. These are all activities that can be delegated. You say: well, whoa; those are areas where it would be potentially to the benefit of a company to have the authority to do that themselves. There may in fact be a bit of a conflict of interest when one looks at those various activities that might be delegated. In fact, I've used this analogy before – and the rural members, I am sure, understand this analogy – and that is of the fox in the henhouse and that what we are potentially setting up is that particular area.

Now, it's my understanding that the minister has indicated he needs this Bill and that nobody understands it, that he's the only one. I guess potentially the members of the front bench understand this Bill. It's surprising. There are 18 members, I believe, on the so-called front benches, and there are hundreds if not thousands of individuals that don't understand the Bill, but the front benches do understand the Bill. Well, what the minister has said is that the organizations don't understand the Bill, because all it's doing is allowing him to privatize the forest resources improvement program, otherwise known as FRIP. Well, if that's the case, then why would you need such far-reaching legislation to do that? Why would you, then, not be specific within this piece of legislation and say that this is for the establishment or designation of FRIP, not for the establishment or designation of delegated authorities? If you said a delegated authority such as

FRIP – actually that wouldn't work either. You would have to be specific, and if that is what the minister wishes to have as the intent of this Bill, then why not say so?

Otherwise, it becomes extremely suspicious, and as I indicated the Member for Peace River I'm sure is the first member that would have an eyebrow raised as to the intent of this particular Bill. As there are more delegated authorities that have the potential of being formed under this Bill the way it is set forward, that will mean that there's need for more regulations.

9:20

Again, the minister, who has indicated that nobody understands the Bill except himself, I think should then take a chapter out of that '93 election handbook, which indicated that legislation in this province was going to be clear, that legislation in this province was going to be able to be read by anyone and understood by anyone in this province, that one did not need to be sitting side by side with the minister in order to interpret what a piece of legislation means.

MR. DICKSON: Or a lawyer.

MS LEIBOVICI: Or, as the Member for Calgary-Buffalo so aptly pointed out, hand in hand with a lawyer to indicate what the Bill means.

If for no other reason than that and if those comments are to be taken at face value, it would seem to me to be the minister's responsibility to say: "Oops. Time for an amendment. Time to ensure that there is no misunderstanding that this only has to deal with FRIP." If the minister is not prepared to bring in such an amendment, then why would we as Her Majesty's Loyal Opposition, why would the private members on the government side of the House, and why would all these other organizations, who don't understand what the Bill is about, say: "Yes, Mr. Minister. We agree. If that's what you say, that's what it is"? There's absolutely no reason to believe that this Bill does not have another motive that is underlying the wording of this particular Bill.

Now, as I indicated, we have in the past talked about the impact of delegated authorities. We have talked in the past about the fact that this government has made it job one to ensure that the powers of this Legislative Assembly are diminished. We have also talked in the past in this Legislative Assembly about the penchant for this government to invoke procedures such as closure when things are not quite going their way or when comments are hitting too close to home. As late as this afternoon we have talked about this government's desire to shut down debate within this Legislative Assembly by the introduction of Motion 22, that in fact is an adjournment motion, while there are still many pieces of legislation on the Order Paper.

When one looks at that context and one looks at what this government's history has been with regards to lack of respect for the procedures within this Legislative Assembly, with regards to the lack of respect for process within this Legislative Assembly – some of the members who are now actually ministers on the government side have indicated that if this Legislative Assembly could meet once every two years, they would be more than happy, that there is no work that is required to be done within the Legislative Assembly. When one looks at that whole picture and then one picks up Bill 22, the Bill that nobody understands except the minister – this is the misunderstood Bill; maybe that's what we should call it: Bill 22, the misunderstood Environmental Protection and Enhancement Amendment Act – when you look at those two and you weigh them, the scales somehow don't weigh towards trust in government, towards trust in the minister and what the minister is saying that we have misunderstood.

As a result, I have difficulty supporting this Bill at the stage we are at right now. As I indicated, if the minister were to bring in at Committee of the Whole stage an amendment that talked about FRIP and that what we are looking at is setting up a delegated authority, as much as I dislike delegated authorities – I don't think that there's quite an understanding of the whole NGO concept, the whole nongovernmental organization concept. I think that this government has tried to do too much with the concept of NGO and their idea of what a delegated authority is. That's another issue we can talk about at length at some other point. When I look at that, I find it very difficult to be supportive of the principles within this Bill. But if, as I indicated, the amendment were to be brought forward – and I think it could be done probably quite easily. Actually, you could probably do it in a couple of places, and I'm sure legal counsel will help you, Mr. Minister, in terms of drafting it. Where it says "Section 1(fff) is repealed," you could say instead that section 1(fff) is amended to read: regulatory board means the delegated authority/FRIP. Very simple.

Then when you get onto the second page, where it talks about 4(d), "respecting the establishment or designation of delegated authorities," there's no reason to have a plural in that word if all we're talking about is FRIP in this misunderstood Bill. If all we're talking about is FRIP, then all 4(d) and 4(e) should say is: respecting the establishment of a delegated authority/FRIP. Section 4(e) would say "respecting the delegation" not "to one or more delegated authorities," and perhaps that's why hundreds of people do not understand this Bill, Mr. Minister. If it were to say respecting the delegation to FRIP, then I think there would be less misunderstanding amongst the general public.

Because you would not be a minister if you were not committed to one of the goals of your government, which is to make legislation easy to understand, easy to read, and clear and to the point, given that commitment, I would urge the minister to bring in those two or three simple amendments. It would not change the meaning of this particular Act. It would help to clarify the meaning of this particular Act. You may even get a kudo from the environmental groups as opposed to that big F that the environment department has received from the environmental groups.

Now, once again, this is a matter of common sense, and I know that the minister prides himself on being a man of common sense and being a plain-speaking man as well. I agree with that. I think that that's very important in government and in dealing with government. But as a man of common sense if most people don't understand what you're doing, if most people don't understand the piece of legislation, if the only people that understand what you're doing are the lawyers, the legal counsel that drafted it for you, then there's a problem with the Bill. If there's no problem with the Bill, if the Bill is not misunderstood, then there is another motive for the Bill, and that is that it does not deal solely with FRIP, does not deal solely with that particular agency, but it's for the minister to be able to delegate his responsibilities in the area of environment to delegated authorities and to change the structure so that there are no longer regulatory boards.

9:30

Now, you just sit back and think about it, and you can all take out a dictionary and look at what regulatory means and what a board means. That's a very different meaning than what a delegated authority is. Those are two very different meanings,

two very different functions, two very different types of agencies. That, then, is the true reason for this Bill: to allow the minister to even further expand the powers that the minister already has under the old Bill 41, to expand his jurisdiction to be able to delegate even more in the area of environmental protection. Wherever there is an area of concern within an individual's jurisdiction with regards to an environmental problem, this is a very key Bill to look at.

Thank you.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Castle Downs.

MRS. PAUL: Yes. Thank you, Mr. Speaker. Actually, I just have a few comments with respect to Bill 22, the Environmental Protection and Enhancement Amendment Act, 1997. I realize that this Bill has been created to delegate authorities to which the minister can delegate almost any power with the exception of the power to make regulations and the power to delegate. In speaking to that statement, I realize that the government already has powers to delegate under the Government Organization Act, and actually I object strongly to such widespread powers to delegate, and I will expand on that. This Bill would enable very wide powers and inappropriate activities that could be delegated, and I will expand on that. For example, delegated authorities could issue approvals to industrial plants such as pulp mills and chemical plants and be responsible for monitoring emissions or more likely auditing emission reports that are submitted by industry as industry is already self-monitoring.

As well, delegated authorities could be given responsibility for deciding whether an environmental impact assessment is required and can conduct such assessments. I have a problem with that sort of heavy, one-sided delegation, and actually I have concern that there is no provision for public consultation before a DA is created. Mr. Speaker, even in previous Bill 57 in 1994 they had at least one public meeting before such rulings could be made.

As well, I have a problem with the potential for patronizing with appointments to the DA. The Bill actually does not specify how the boards will be selected, and it is not clear if a DA may select board members. So I have a real problem with that as well, Mr. Speaker, and hopefully the minister would be able to clarify that.

With that, Mr. Speaker, I'll conclude my comments. I think this Bill is one that has to be really looked at and studied. As my colleague from Edmonton-Meadowlark has explained, it's a short Bill, but I think it really has to be looked at.

Thank you.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Mill Creek.

MR. ZWOZDESKY: Thank you, Mr. Speaker. You know, previous speakers have done such a good job critiquing this Bill that I'm going to make my comments very short, but I do want to express my concerns nonetheless in just a few minutes, if the minister will allow. I know that the major thrust of this Bill, or the principle or spirit of this Bill, is basically to create these so-called delegated authorities. I really only have two major concerns here that I want to just reinforce if they have already been covered. One of them is with regard to the accountability of the delegated authorities. I'm just having a bit of difficulty understanding to whom these delegated authorities would specifically be answerable to and/or accountable to, to whom they would report, and on what sort of regular or timely basis they might be doing so.

My second concern is really with regard to the tremendous powers that the delegated authorities would have. I might have fewer concerns in that regard, Mr. Speaker, if we weren't talking specifically about the environment, because as we all know, the environment isn't something that you can destroy one day and rebuild tomorrow like you would a building or a sidewalk or perhaps a roadway. The environment is one of those very delicate, very precious things that we enjoy in this province, and we're blessed with an extremely abundant and beautiful environment which needs to be cared for and protected in a very special way because it's not a replaceable commodity.

I have numerous constituents who phone me on a fairly regular basis concerned about the environment. I know the minister is intending this legislation in a positive way, but the fact is that there are extremely wide-sweeping powers, it seems, in this Bill being given to these delegated authorities. We already have either de facto or by implication an industry that uses and utilizes the environment here that is largely self-monitoring already and to some extent even self-regulating. The concerns with the powers that are being given through this enabling legislation are specifically with regard to issues like responsibilities over, for example, the environmental impact assessments that might be conducted from time to time. Who specifically would be doing that? Under what guidelines would they come? Again, to whom would that be reported? Or would they be reported in a public sense at all? Perhaps the minister will comment on that.

The other aspect that I hear frequently about is with regard to public input or the opportunity for the public to review what it is, for example, that these delegated authorities might be undertaking. Some of the powers then are, I think, in need of some address here, because it's just not clear if in fact the delegated authorities have rather total autonomy or not. If they do, over which aspects do they have that autonomy? Or are there some specific aspects that are protected away from that autonomy?

I think someone else has already commented on the potential for the government to be viewed as using the DAs not only for the purposes that they're initially set up for here, Mr. Speaker, but also to invite criticism from possible patronage appointments. I don't suggest that the government is doing that, but there is always the temptation there when you have legislation like this coming forward.

The final comment, hon. Mr. Speaker, is with regard to the establishment of fees, which I think you've heard some comment about, Mr. Minister, have you? You have, and perhaps you'll be responding to that. Because I think that if the DAs are given the authority to set those fees, they could wind up being rather high, and I don't believe the minister would want to see that happen.

You know, just recently in the news, Mr. Speaker, we've had a lot of concern again about another environmental area, that being the Rumsey area. I just wonder how a Bill like this, with the delegated authority in place, might respond to a situation like the Rumsey area, or does it not come into play here at all? I see the minister shaking his head, so that alleviates that concern on behalf of a couple of constituents who've already called me about that.

With those few brief comments, I'm going to take my place momentarily and just say that I would hope the minister would take these comments into consideration and perhaps do something

about it before we rush through this Bill at the committee stage, which follows shortly.

Thank you very much.

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

9:40

MR. BONNER: Thank you very much, Mr. Speaker. I would also like to speak to Bill 22 this evening, the Environmental Protection and Enhancement Amendment Act, 1997. I think I share the same concerns of many of my colleagues, that the delegated authorities do have wide-sweeping powers. I do see problems as well, particularly when we're dealing with the environment. There seems to be such a great contradiction, particularly when we do try to mix economics and the environment. We do know it can work. It works extremely well in Sweden, where they probably have the tightest environmental laws in the world. So we do know it will work.

With the delegated authority my major concern is that there is a lack of monitoring of our environment. So that would be my first concern when we start dealing with the delegated authorities.

[Mr. Zwozdesky in the Chair]

My second concern is that there is no provision for public consultation before a delegated authority is created. I think we do need this. Again, when we start dealing with the environment, particularly our environment in northern Alberta, where we do have such a vast amount of land and such a sparse population, we do require a great deal of monitoring.

A third area that I'm quite concerned about with Bill 22 is that there may be a potential for patronage with appointments to the delegated authorities. All Albertans saw what happened at CKUA, and we all wish to avoid a repeat of that performance.

The fourth area that I do have concerns with is that there's no legislative provision . . .

THE ACTING SPEAKER: Excuse me. I just have to request that the hon. members who may not be at their proper seats please just return and observe the decorum of the House. Thank you.

MR. BONNER: Thank you, Mr. Speaker. I will continue. I would like to compliment you on your very astute observance there. The seating plan of the House – that's quite notable with the amount of experience that you've had in the Chair.

The fourth area that I was quite concerned about here in Bill 22 was that there's no legislative provision for public complaints once the delegated authority is in operation. There is a potential here when the DAs are setting fees that they could be high, and there's no legislative requirement for the minister to approve fees. What this will do is certainly build barriers and it will restrict people approaching the DAs. As well, what will happen here with delegated authorities is that again we do have a shift of accountability away from the minister.

With those few comments, Mr. Speaker, I will close my discussion on Bill 22. I would urge the minister to look at all the proposals that have been made and perhaps put the teeth into this Bill that our environment does require.

Thank you very much.

THE ACTING SPEAKER: The hon. Minister of Environmental Protection.

MR. LUND: Thank you, Mr. Speaker. I've listened attentively, and when I wasn't able to listen to the debate, I read everything that has been said about this Bill and lots of things that have been said that didn't have anything to do with the Bill. The fact is that under the current legislation the minister could do all the things that the members were concerned and worried about, because the current legislation allows for the setting up of a regulatory board. What we're endeavouring to do here is set up an administrative authority. The major change is in fact the ability for the minister to hand off a program, and the program we want to hand off is the FRIP program. That is a program that the forestry industry uses for their research, and those are dollars that are housed within a special trust within the Department of Environmental Protection, but it really is money that is for the purpose of research and improvement of the forest industry. That money is allocated on a company basis within the department, but the problem we've got is that we can't spend it because of the consolidated budgeting process. So that's what we want to move out, but under the current legislation we're not able to move it out.

The comments were made about whether this would affect the Rumsey situation. No. We are not handing off any of the regulatory function. We are not handing off the inspection function. We're not handing off the monitoring. This is all to do with FRIP and the necessity to have the ability to move that program out and not just set up a regulatory board.

I would move that we call the question.

MR. SAPERS: A point of order, Mr. Speaker. Sorry, but before we call the question, we should ensure that there's a quorum in the House. [interjection] It needs 20. There were only 18 when he was speaking.

THE ACTING SPEAKER: Secure the doors, and we'll take a survey here. Do we have enough?

It appears there is a quorum, but thank you for raising the observation, hon. member.

[Motion carried; Bill 22 read a second time]

Bill 29
Medical Profession Amendment Act, 1997

THE ACTING SPEAKER: The hon. Minister of Health.

MR. JONSON: Thank you, Mr. Speaker. It is my pleasure this evening to move second reading of the amendments to the Medical Profession Act. These amendments, if passed, offer the potential to improve the quality of medical practice in Alberta and ultimately the quality of health services available to all Albertans.

Mr. Speaker, the amendments will facilitate the implementation of the physician achievement review program by the College of Physicians and Surgeons of Alberta through the establishment of a physician performance committee via the college. The committee would oversee the achievement review program, which would conduct formal reviews of all licensed physicians in Alberta on a regular basis. These formal reviews would involve written tests, peer reviews through questionnaires, and medical chart audits, as well as feedback from patients. Through such reviews, the college would be able to provide regular feedback to physicians about their performance in office practice. They would be able to promote continuous improvement in office medical practice and promote an ongoing dialogue between the physicians and patients on the quality-of-care issues.

Mr. Speaker, the proposed amendments to the Medical Profession Act are necessary to provide a statutory basis for the review program, to ensure full physician participation in the program, to ensure that the appropriate appeal and remedial mechanisms are in place to follow up on any recommendations resulting from the individual reviews, and to ensure the full confidentiality of the information that would be used in the review processes.

I think it is important to put this particular initiative in context, and that is that it is quite correct, as many people may note, that the Medical Profession Act has existed for many years in this province. However, an evaluation, an assessment, a pursuit of some type of potentially harmful practice on the part of a physician is only possible under the current legislation if a formal complaint is lodged. I think what is contained in this particular legislation, Mr. Speaker, is much more constructive in that it provides an ongoing process through what is referred to as the PAR program, which is encompassed in this Bill.

9:50

The other point I would like to make before concluding, Mr. Speaker, is that in the amendments that are proposed in the section where we are creating the performance committee, it should be noted that there will be a public member appointed to that performance committee. This is in keeping with views that have come from members of our caucus and a move towards a better understanding on the part of the public and more representation of the public in professional matters.

Mr. Speaker, I think in concluding I should, as Minister of Health and on behalf of the government, commend the College of Physicians and Surgeons for their co-operation and initiative in developing the physician achievement review program. I encourage all members of the Assembly to support their efforts to improve the quality of the practice of medicine in our province by supporting these amendments.

Thank you, Mr. Speaker.

THE ACTING SPEAKER: The Member for Calgary-Buffalo.

MR. DICKSON: Mr. Speaker, thank you. I join with the Minister of Health in urging all members to support Bill 29. I just want to preface my commentary on the Bill by acknowledging and thanking the Minister of Health for his thoughtfulness and his courtesy last week. He shared with me not the Bill, of course, but an outline of the gist of the Bill and solicited my comments and input. I very much appreciate the opportunity he afforded me to look at the Bill in advance. The advantage, of course, that flows from that is that when we get to this stage, it means that whatever concerns we had have largely been allayed or addressed. It helps us to if not eliminate debate altogether at least focus it dramatically.

I think what we're doing here is, in effect, to regularize and give legislative underpinning to what has been a very productive pilot program initiated by the College of Physicians and Surgeons. The physician achievement program is something that I think Alberta physicians can justly be proud of. It was, at least in this province, certainly innovative, creative and I think goes some distance to addressing a number of the concerns that are heard in Alberta from time to time.

What the Bill will do is provide some statutory protection for participants from actions for defamation or some other kinds of actions. There is some certainty that information is not going to be used in disciplinary proceedings, and there are certainly some limits on what use physicians can make of information that's provided patients, and that's particularly important.

Just a couple of notes I made in going through it. I know that the College of Physicians and Surgeons had made recommendations to the Member for Strathmore-Brooks, I think it was, before he became Minister of Family and Social Services back in October of '96. I think Dr. Ohlhauser on behalf of the college had made some specific suggestions and recommendations. One of them had been to amend section 17 of the Medical Profession Act. Section 17 is the one that deals with confidentiality. The proposal was to create a form of absolute privilege or absolute confidentiality by expanding the current section 17. What the government has elected to do is create a brand-new section dealing with confidentiality relative to this program in section 33.9. The other thing that the college had initially proposed was to invoke section 9(2) of the Alberta Evidence Act in terms of dealing with admissible evidence.

What I have been trying to do since the Bill was introduced yesterday is do some contrast and comparison between what the college had sought in terms of the amendment to the Election Act and what exists in this Bill. I guess there are sort of two groups we're trying to protect. We're trying, I think, to protect physicians in terms of who participates in the program. We're also trying to protect patients in terms of what happens to information and what kinds of limits there may be, because we've always said that the most important kind of personal information is typically the information that's found in the health area.

We might note, for example, that section 17 in the Medical Profession Act has a penalty involved if personal information is used improperly. In the new section 33.9 there's no penalty. It may be that there was a conscious policy decision for deciding not to go with the penalty provision, but it seems to me that as legislators sometimes we append a penalty not because the fine may be an enormous deterrent but it's a way of indicating the gravity of an offence or a violation. It's a way of bringing home the fact that if you violate it, there will be proceedings under I guess the summary conviction Act, and a penalty would ensue. I would be interested in the minister at some point perhaps clarifying why it is that the minister decided not to create a penalty provision, as would apply with a breach of section 17, and, in creating a brand-new section, have no penalty provision. As I say, there may be good reason, but I think it would be important to clarify that.

The other question is in terms of appointment of members. I hadn't appreciated until the minister spoke a moment ago that there's going to be a member of the public involved in the panel, and I think that's important. That may be one reason why we're not under section 9 of the Alberta Evidence Act, because 9(2) I think only applies if the committee is made up solely of physicians. So that may be part of the answer to my other question.

I think the other question I would ask would be on Bill 30, the eagerly awaited health information Bill that I know the Member for Calgary-Glenmore has been working on furiously to prepare for his presentation tomorrow. We haven't seen that yet. Since part of this has to do with information from Albertans as patients, I'm interested in seeing what the interplay is between Bill 30 and Bill 29, and then I'd simply like to find out how we deal with that in terms of protecting patient information. It may be the minister won't have a chance to tell me before Bill 30 is unveiled, with much hoopla and fanfare, tomorrow at 1:30, and we'll sure be looking forward to that.

I just want to flag the concern, Mr. Minister, through the Chair. Obviously on this side of the House we're looking for the highest possible standard to be met when it comes to protecting

patient information, and if there were to be a higher standard in Bill 30, then we'd of course want that to apply. If it's not high enough, then there are two statutes we'd be in a position of looking to amend.

I expect there may be other speakers, but I'd just say that I had those particular questions. The issue of protecting information that comes in questionnaires: we'll just have to see and get some further clarification from the government. But on balance we're dealing with principle tonight, and without any question the principle is a sound one. It's one that ought to be supported by every member in this Assembly, and the college certainly deserves the recognition and I think the gratitude of the Assembly for this very positive initiative.

Thank you very much, Mr. Speaker.

10:00

THE ACTING SPEAKER: The Member for Edmonton-Glenora.

MR. SAPERS: Thank you, Mr. Speaker. The amendments to the Medical Profession Amendment Act, 1997, that are being contemplated today follow from a multiyear process involving the college, the AMA, stakeholder groups including the Consumer's Association of Canada. These are good amendments. They'll institutionalize or legislate the assessment process, and I'm happy to see the government take that initiative. I know that the College of Physicians and Surgeons has been bringing this matter to the attention of the government for some time.

Some of the concerns that the medical profession themselves expressed when the PAR program, the physician achievement review program, was first announced by the college I think have been alleviated now that we've had the experience of that pilot period of the PAR program. We don't really see the long arm of the law reaching in and meddling in the lives of physicians. Physicians, I think, see this as a net benefit. Certainly their patients, once familiar with it, will see this kind of ongoing review as a net benefit.

There are some lingering concerns, though, about how the disciplinary mechanism that is currently in place by the college will be affected by this legislated review process. I would hate to think that all of the very bold and proactive steps that the College of Physicians and Surgeons has taken in regard to opening up the disciplinary process would somehow be negatively impacted by this. I hope that the Minister of Health has thought this through carefully and that these amendments to the Medical Profession Act won't sort of step on the toes of some of the other sections of the Medical Procession Act or the powers given to the self-governing body of the medical profession in terms of disciplinary hearings and public input. If a physician goes through the PAR kind of process and then is disciplined, I would hate to see there be a contest with some other legal remedies that a patient may have in terms of pursuing damages should a physician be legally responsible for some form of negligence or malpractice.

So we've got to proceed with some caution, as positive as these amendments are and as overdue as I think this kind of a process is. We just have to make sure – and maybe we'll get a chance to explore this a little bit more in committee – that we've thought clearly about all of the implications and that we've seen how all of the pieces of this puzzle will fit together in terms of public accountability, physician review, and physician discipline.

The other comment I have at this point in the debate on the Bill is really that I note the legislation says that the council can establish the review committee, the council being the Council of the College of Physicians and Surgeons. It doesn't say anywhere in the Bill that I could find – and of course we can only assume what may or may not happen by regulation – that there would have to be layperson input or involvement in that performance review process, and I don't know, Mr. Speaker, whether that was an oversight or whether that was on purpose.

I don't know whether the minister has had some discussions with the College of Physicians and Surgeons on this point or not, but, you know, if we're going to have a physician review process that is going to take a look at the whole complex of things that go on in the provision of particularly primary care and how a doctor in Alberta does his or her job and the kind of competence that they display, the relationship they have with their patients, et cetera, et cetera, one would certainly expect that nonphysicians would be involved in that process. I mean, there is obviously enough expertise on the professional side to determine professional competence, but on some of those other areas in terms of relationship with the patient and how they conduct the business of the practice of medicine, I think the process could be well served by ensuring that there are some nonphysicians involved.

As I've said, I hope that the minister will be able to tell us about conversations he's had with the college in this regard and let us know whether or not he'd even think about changing the section of the Bill that calls for the creation of the council. Basically, it just says now that the college will set it up, but maybe we could add in that the college would set it up, that it would have to have a certain kind of membership mix defined either in legislation or regulation.

Other than that, as we shepherd this Bill through the House to what I'm assuming will be fairly ready passage, I would like to make sure that the issues of confidentiality both for the patients and for the physician are addressed. I'd like to ensure that the potential for conflict between this assessment process and the other existing disciplinary processes are also adequately addressed. So I'm looking forward to the debate at committee, because that's when we can really get into the more detailed review, and I hope that by the time we get to committee, the minister will have had an opportunity to reflect upon these few comments and maybe better inform the Assembly about how they're being addressed.

THE ACTING SPEAKER: Is the hon. minister going to rise to close debate?

MR. JONSON: Mr. Speaker, I acknowledge the concerns and remarks that the hon. members across the way have made in second reading, and I appreciate their input. I will address some of the specifics raised in committee.

I move second reading.

[Motion carried; Bill 29 read a second time]

head: Government Bills and Orders
head: Third Reading

[The Deputy Speaker in the Chair]

Bill 10
Local Authorities Election Amendment Act, 1997

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

MR. SAPERS: Thanks, Mr. Speaker. The Local Authorities Election . . .

MR. HAVELOCK: Point of order.

THE DEPUTY SPEAKER: The hon. Government House Leader, I think, has to move it.

MR. HAVELOCK: Yes. I'd like to move third reading of Bill 10.

THE DEPUTY SPEAKER: Thank you. Now we can have Edmonton-Glenora.

MR. SAPERS: Thanks. It's good to see the Government House Leader back on his game, Mr. Speaker. He wasn't paying attention.

Mr. Speaker, the Local Authorities Election Amendment Act, 1997, as we said when we initiated debate at second reading, is a difficult Bill for the opposition because it's a Bill that puts into practice or develops the mechanics for something which has been a key concern for members of the Official Opposition and for Albertans throughout this province, and that is the election of regional health authorities. We believe and we note from the consultation that the government undertook with Albertans that what is required in this province are regional health authorities comprised of 100 percent democratically elected members. Of course, the government's intent is not to do that at all. It's to only have a certain portion elected, and then a certain portion appointed.

So we look at Bill 10 and we're tempted to want to support Bill 10 because its intent is to operationalize that election. It's to create the mechanics for that election. Bill 10 itself doesn't limit the number of regional health authority members who would be elected or appointed. There are regulations in other Bills that do that. So on the one hand I want to support Bill 10 because it would bring us one step closer to what I think is a very important achievement of electing regional health authorities. Then, on the other hand, when you look at Bill 10 and you go through it in some detail, as we have, you note the deficiencies in the Bill.

10:10

In particular what you find is that Bill 10 creates many other problems, and what you're left with is having to accept the government that says: "Trust us. We'll work out the details later, as we go on. We'll either do some things by ministerial order or we'll do some things by order in council and by regulation. We know that there are some deficiencies, and we know that we haven't got it all thought through, but you're going to have to trust us." I don't know about you, Mr. Speaker, but I'm a little too skeptical, I suppose, of this government to accept just the notion that we should trust them or that Albertans should trust them.

Particularly I can't really accept that in reference to a Bill that's talking about democratic election. It seems to me that if there's a high standard, if there's a bar, as it were, that needs to be risen to in terms of having open and clearly understandable legislation, regulations, it would have to be that kind of legislation and regulation that pertains to election. There is an irony indeed about having the local authorities election amendments being so confusing that Albertans can't understand how it is that they are going to be put into effect.

When I've talked to representatives from municipalities and local governments and when I've talked to representatives from local health authorities and I asked them what they think about Bill 10, for the most part they kind of look at me with a blank stare and they say: well, what's Bill 10? And I ask them: "Well, haven't you been consulted by the government about Bill 10? Haven't you been consulted about how you are going to be asked to do joint elections for the election of regional health authorities, or haven't you been involved at all in the discussions about the creation of joint electors lists"? They say: "No, we haven't. We don't have a position on the Bill because nobody asked us yet." That kind of concerns me.

Now, I know I've had some discussion with the Minister of Municipal Affairs, and I want to go on record saying this, Mr. Speaker. I hope that the Minister of Municipal Affairs will have a chance to review these comments in *Hansard*, because this minister has gone out of her way to be co-operative with myself and with other members of the opposition in terms of communicating her intention and her understanding of Bill 10. The minister has been very timely in her responses both orally and in writing and has I think made a very honest effort to understand the concerns that are being raised in debate. I appreciate that, and I think it's a tribute to that minister that she would be so open in terms of dealing with what is truly a very contentious issue both in this House and within the greater population of Alberta.

That being said, I'm very sad to note that after all of that discussion and all of the time spent, members of the Official Opposition put forward a number of amendments which we honestly believe would have improved Bill 10.

Speaker's Ruling
Third Reading Debate

THE DEPUTY SPEAKER: Just a reminder to all hon. members that we have a long series of third readings. I take the opportunity to remind all hon. members that debate on third reading is more restricted than at the earlier stages, being limited to the contents of the Bill, not what might be, not what could be included, just the contents of the Bill. So it is a more narrow focus.

MRS. FORSYTH: Now we'll excuse you because we know you're not well.

MR. SAPERS: Thank you, Mr. Speaker. And thank you, Madam Speaker Assistant. That was Calgary-Fish Creek I was making reference to, just in case you missed it.

Debate Continued

MR. SAPERS: As I was saying, I'm saddened by the fact that none of those amendments were passed by this House, so we're stuck again with a Bill that is flawed. Now, some of the flaws of the Bill are on record. We've talked about the problem of having not one standard electors list. The Bill allows for various local governments to establish their process for developing the voters list their own way. I'm fully aware of the limitations that some local authorities have in terms of the resources that are available to them for establishing electors lists, but I'm also aware that what we're setting ourselves up for here is the potential that a single Albertan could end up on more than one voters list, not through any deceit or not through any guile but simply because of the manner in which these electors lists could be constructed. Then you have the difficulty of saying, "Well, where's the most legitimate place for that person to vote should they end up on more than one list?" Then you have the problem of policing all of that to make sure that it hasn't happened. Then you have all of the difficulties that flow from challenging the results of the election.

Some of the other problems in the Bill have to do with the whole notion of joint elections. You have regional health authorities that, some of them, take in a dozen or more local governments, and not all local governments are satisfied with each other with the way that they deal and relate with their regional health authorities. There are some real concerns, there are some petty concerns, there are some jealousies, there are some real difficulties in terms of those relationships, and here we have a situation where that could be made worse, because a regional health authority could join with one municipality, have a joint election, and that could be challenged or somehow seen as limiting by another local authority.

I think of local authorities that have municipalities of competing size and influence – WestView health authority is one that comes to mind, Mr. Speaker; there are others as well – where you have several local jurisdictions that could all equally lay claim to being the major population centre or at least equal to other population centres within the authority. So you've got some difficulties there.

The minister undertook to respond to some of our concerns and to try to answer them, yet I note that there was really no answer to that concern. There was really no answer to how this Bill was actually going to be operationalized in those regions where they covered so many local authorities. It's true that municipalities aren't going to be forced into joint elections, that they may. It's permissive. But then if they don't, one wonders how exactly the election would be handled. Municipalities are not going to be forced to create a voters list, and that satisfies the needs of some municipalities, but on the other hand it creates the problem that I talked about before. I seems to me that this would have been a wonderful opportunity to ensure that we took advantage of the joint federal/provincial initiative in creating a permanent electors list and saw how we could best fit that into our local needs as well.

Mr. Speaker, the whole issue of nominations is raised in the Bill. The Bill changes the nomination process, really. It allows for nominations to be entered into in several locations. It also changes the timing and the time line for nominations. It's certainly more flexible. I have no issue with that flexibility, and I have no issue at all with the notion of nominations for local authorities being accepted at more than one location, but ultimately what it comes down to is that we still have this vexing problem in the Bill where the minister may make any number of changes about a local authority when, in the minister's opinion, there aren't enough nominations entered into.

What we have here potentially – and again, I'm not suggesting that this was the intent, but the way the legislation is drafted, you have the situation where the Minister of Health could say, "Well, there weren't enough nominations for the two-thirds of the board positions that are available in one particular health authority, so as minister under this Act I will change the boundaries, or I will change the numbers of vacancies, or I will say that there will only be appointed members." Because these are things that can also be done by changing regulations, which happen by order in council, which we know is the Executive Council, just the cabinet that gets together – we know that those things never come to the Assembly – I'm concerned that this minister or a future Minister of Health may feel compelled to do just that. It may be seen as an administrative convenience for the government to do that, which would be to the detriment of the whole notion of democratically electing regional health authorities, which is really what this Bill is all about. So, you see, you've got this section in the Bill that could really destroy the whole intent of the Bill, should the minister want to play it that way.

10:20

I'm very concerned that the minister could alter the ratio of appointed versus elected members, that the minister could change the nature of the election or of the authority, because Bill 10 does allow for that. It's another one of those examples of the kind of catch-22 or the kind of box that's been built for members of the opposition, because you want to support the election of regional health authorities, but you don't want to do it in such a way that it creates more problems than it solves.

There are a number of other technical amendments that the Bill brings forward, amendments that make it easier for seniors or residents of certain kinds of lodges to participate, to vote, and to be enumerated. The Bill also allows for rather a large fine should the information on a voters list be abused or misused. So the Bill does accomplish some good things.

I suspect that of all the Bills before the House in this sitting, Bill 10 is certainly one of those Bills that the government must have. It must pass, and it looks like it's destined to leave third reading some time soon and be on the Order Paper for Royal Assent. Obviously, they must have it because they have to put it into operation prior to the October '98 municipal elections. I just hope that between now and then the government will take seriously the concerns that have been raised in debate, and even though the government was unwilling to accept the amendments on the Bill, I hope that they'll take seriously the concerns raised about the deficiencies in the Bill and about the problems in the Bill and spend the time between now and October developing regulations that will help settle these problems. I will make this offer, Mr. Speaker: members of the opposition caucus would be more than happy to sit down with the ministers involved or with their departmental officials to further pursue the difficulties that we've identified so that we can truly make this the best process possible.

The intent is clear. The intent is to elect regional health authorities. Obviously we'd like to see them all elected. The government only wants to see them two-thirds, but at this point we've got the two-thirds, so the intent is clear. We would like to see that intent carried out in a way that is above and beyond reproach and in a way that satisfies Albertans, whether they live in large urban centres or small villages and towns.

Mr. Speaker, we've had some good debate on Bill 10, but in many respects it's been a disappointing debate because we're back to where we started with it. We've got a Bill with a good intent. We've got a Bill that has some good substance but a Bill that also raises lots of red flags. I hope that I'll be hearing from members of the front bench on the government side posthaste about getting together and working out a process where we can deal with these issues in a nonlegislative way since we won't have that opportunity after this Bill passes. I am looking forward to talking to particularly the Minister of Health and the Minister of Municipal Affairs about the regulatory framework that's going to have to be developed and all of the, I guess, technical pieces that are going to have to be put together to make sure that Bill 10 actually has the net benefit to Alberta that we all hope it will.

Thanks, Mr. Speaker.

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

MR. DICKSON: Thank you, Mr. Speaker. I was sitting and

listening to my colleague from Edmonton-Glenora, and it occurred to me that there are probably three significant groups of Albertans who are going to be disappointed with Bill 10, that's now achieved third reading stage.

The first would be those Albertans interested in a really efficient electoral system, those Albertans who wanted to see a standardized, provincewide, permanent voters list, one that in fact could be a part of the federal/provincial common voters list. I think those Albertans are going to be puzzled at why a government that's been all too ready to dictate to local authorities when it came to provision of health care, to dictate to local authorities when it came to management of education, why it is that when we come to our permanent voters list, suddenly the government throws up its hands and says: oh, we really can't make a decision that's going to be binding provincewide here because there are local authorities that can make their own decisions. What we're served up with is, I respectfully suggest, a most unsatisfactory kind of opt-in, opt-out voters list. So a municipality may be able to take advantage of a permanent voters list or may not. So I think that group of Albertans will be disappointed.

I remember, the first time I was elected in '92, a constituent writing and providing me with a very thoughtful commentary in terms of why it is we don't have a common voters list. Why is it that we go through this enormous additional expense of enumerations and preparation of different voters lists municipally, provincially, and federally? I'd like to go back to that fellow who wrote me in 1992, and I'd like to be able to say: the good sense and the good advice that you offered legislators in 1992 has finally seen the light of day, and it now is being translated into binding legislation. I can't do that. I can say that federally and provincially governments have seen the light, but when it comes to local authorities, we haven't quite got it yet. The government, as I said before, which has all of this resolve to exercise its coercive power in other areas of activity, when it comes to respecting and facilitating the right of Albertans to vote, suddenly gets cold feet, and we have this very weak voluntary system. So what we have is that some parts of the province will have a permanent voters list and others will not. I don't think that's acceptable in a province where we're trying to ensure that all of the 2.7 million people in this province have an equal right to vote.

I mentioned that there were three groups of Albertans that may be disappointed with this Bill. The second group would be Albertans, Mr. Speaker, who are interested in protection of their privacy. One need only look at section 39, the amendments to the Election Act, section 38 to see that what we've got is really no control over where the local government goes to put together the information for their voters list. You will have, I predict, wide disparities in the kinds of data that will be used and the accuracy of that data. Some lists that will be used by municipalities for preparing a voters list are going to be very current, and others are going to be very stale. So there will be lots of problems when it comes to deciding who is eligible to vote in some parts of the province and no problems in other areas. It just seems to me so easy to head this thing off. We can see it coming. One has to wonder why it is that the government is going down a road in such a halfhearted fashion and why it is that all of the efforts that have been taken by this Legislature and in many cases championed by the former Member for Olds-Didsbury – when that MLA was on the Legislative Offices Committee, he championed a permanent voters list, one that would apply to municipalities too but one that would use standardized data and have adequate safeguards to protect personal information. Unfortunately we don't have the wisdom of that former Member for Olds-Didsbury, but I would think that people would think twice about the advice he offered us during his very long career in the Assembly and then more recently on the Legislative Offices Standing Committee.

10:30

The third group of Albertans who I think will be disappointed with the Bill are Albertans that were interested in having a wholly democratic process for the election of people to the 17 regional health authorities. What we find when we look at page 4 in the Act, section 10, is that we're still going to be left with this provision that the minister "may recommend a change in the status of the local jurisdiction or any other action he considers necessary" in the event that "sufficient nominations to fill all vacancies are not received."

For all of the reasons that have been discussed at some length at the committee stage, Mr. Speaker, that isn't good enough. It leaves far too much power in the hands of the minister on something which I think is too important. Electing people to spend the $2.2 billion that Alberta taxpayers through this government and the Department of Health hand over to the 17 regional health authorities – I think it warrants a different kind of attention. I think it warrants a specific provision. I think the focus should be on regional health authorities ensuring they have sufficient nominations. Simply leaving the relevant minister with this very large, residual, discretionary power – it's too broad. There are no factors or particular guidelines the minister is bound to follow when he's doing it.

I notice, just as I'm ready to take my seat, that some members now are reviewing the Freedom of Information and Protection of Privacy Act. Mr. Speaker, I'm heartened by that. I may want to come back almost and repeat that first argument, because I know that not only will that be a very useful tool in defending Bill 30 tomorrow for the government members, but it's also an excellent way of noticing the shortcomings in the Bill in front of us in terms of protecting personal privacy.

Those are the comments that I wanted to make. I'm sorry that those three large groups of Albertans are going to be disappointed with the Bill that is currently before us. I echo the comments of the Member for Edmonton-Glenora that surely the government will yet take to heart some of the constructive suggestions that have been made by the opposition, look at how we can remedy those particular flaws, those concerns. With any luck we'll have a fall session and be able to do some patch up, as has been the custom in the last four years of this Assembly.

Thanks very much, Mr. Speaker.

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

MS LEIBOVICI: Thank you, Mr. Speaker. I, too, rise to speak briefly to Bill 10, the Local Authorities Election Amendment Act. As my colleagues before me have pointed out, there are still deficiencies within the Bill, even though some of the concepts are concepts that we do support. Amongst those deficiencies is the fact that there will not be a full election of members of the regional health authority; only two-thirds of those members will be elected. In fact, there is the possibility that there may be appointments if not sufficient members are elected to the regional health authorities. I believe that there is an ability by the Minister of Health to do that. So this policy of two-thirds, one-third is just that, a policy, and is not, I believe, enshrined in the legislation.

Some of the other concerns that have been expressed by myself

and my colleagues have to do with the lack of a standard permanent voters list across the province. Although I do understand that there are some difficulties perhaps with that standard voters list, my comments are that if the federal government and the provincial government were able to get their act together and have a standard voters list, then why would the municipal governments not be able to do that as well under the direction of legislation that indicates that that is a requirement? The question that remains is: if there are difficulties with the permanent voters list on the municipal level, then how long will it take to work out those difficulties? We know that at times the government can move with lightning speed if it so desires. We also know that at other times the government can drag their feet as well. I wonder with Bill 10 and with the whole issue of a standard permanent voters list across the province whether in fact there is the will to move with lightning speed.

There are areas that we have tried to address through our amendments in Committee of the Whole. I must congratulate the minister for looking at those amendments and acknowledging that there was merit within those amendments. I would like to also congratulate the minister for her willingness to work with this side of the Legislative Assembly. On the other hand, it's unfortunate that the majority of amendments were not accepted, and perhaps with more experience on both sides of the House in working with the various ministers, especially the ministers that are new to their portfolios, we may be able to have more of a spirit of co-operation. We've seen some of that in this session, where in fact some of the amendments on this side of the House have been acknowledged and accepted. I think one indicator of that is the ability in this Legislative Assembly to acknowledge that there are strengths to the opposition side of the Legislative Assembly and in fact that we can become more of an integral part of the operations of the Legislative Assembly, as we saw with the Member for Edmonton-Mill Creek, who sat in the Speaker's Chair just recently. I believe that it's the first time that that's occurred in this Legislative Assembly, that we've had a member from the opposition party sit in that Chair, so I would like to congratulate both him and the Speaker and the Deputy Speaker for making that happen.

The Bill, as I indicated, is a Bill that of course is required in order to provide for the election of the regional health authorities but again does not go far enough. I would urge the government and the minister to look at some of the comments and bring in as quickly as possible an amendment that would provide for the ability to have elections of the regional health authorities as well as providing for the permanent voters list.

Thank you very much.

10:40

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

MR. MacDONALD: Thank you, Mr. Speaker. I would like to rise and also say a few words this evening at third reading of Bill 10, the Local Authorities Election Amendment Act. Now, we all know that the seventeen regional health authorities were created and that there are large differences in the amount of money that each regional authority spends. The largest, of course, are in Calgary and Edmonton. These are large sums of money from the taxpayers of this province. To elect the people who are going to serve on these regional health authority boards is a sound idea. But this is sort of select and elect. We're going to, with this Bill, elect two-thirds of them. One-third is going to be selected.

Now, if we were to carry this on to other democratic bodies, this would be an unusual practice, Mr. Speaker. Two-thirds of all members of the regional health authorities are actually elected – two thirds. I think that this is unusual. I think that perhaps we should have all of them elected. Now, municipal councils, school boards: they're elected. Everyone in this Assembly is elected. This is different, and it is a little different in the democratic principles.

I have some other concerns with this Bill, Bill 10, and that has to do with the permanent electors list. We all talk about co-operation – I've heard it in here since we started – between different levels of government: the federal government, the provincial government, the municipalities. I think that this is not an example of good co-operation. We notice here in this electoral list that there are to be municipal voters lists, and if it is abused, there is to be a substantial fine. I believe it is $100,000 and a one-year jail term. I don't know what kind of abuse of this permanent voters list there could be. If people are not on the list and they're denied their democratic right, it is not clear to me in here how they can approach the municipality and have their name added to the list.

These are a few of the concerns I have. On the whole, this is a good idea, to start electing people to the regional health authorities. So much money, so much of the provincial budget, Mr. Speaker, is being spent in health care dollars that I believe these people should be elected, because it allows for public accountability, and public accountability is very, very important. The millions, the billions that are spent, there has to be public accountability for it. The commitment here to covering the regional health authorities under the freedom of information, FOIP, the Member for Calgary-Buffalo is absolutely right whenever he points that out not only to the members of this House but to the public of this province.

Thank you, Mr. Speaker.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Castle Downs.

MRS. PAUL: Thank you, Mr. Speaker. I'm just going to echo the thoughts with respect to Bill 10, the Local Authorities Election Amendment Act, that have been brought up previously. I did bring this up before with respect to the appointment of members to the RHAs; there is only one-third. Two-thirds of the members are elected. So I echo the concerns from my other colleagues that this is not acceptable. After much pressure from the public and the opposition the change was made, because prior to that, all members to the RHAs were appointed. I think consideration must be made that we would definitely be in favour of recommending that the one-third who are appointed should be elected.

With respect to the chair of each of the RHAs it has been noted that they are appointed, and I would have concerns about who has the power to appoint the chairman of each of the RHAs. Also in that respect and looking at that process, what is the process that is outlined in making that appointment? I'm sure that will be something the minister would be looking at under Bill 10.

With that, Mr. Speaker, those were my comments on this Bill. I do commend the government on making the decision to have two-thirds of the RHA elected, but we have to work on the one-third. So those are my comments for now.

Thank you.

[Motion carried; Bill 10 read a third time]

Bill 11
Registries Statutes Amendment Act, 1997

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

MRS. LAING: Thank you, Mr. Speaker. I'd like to move third reading of Bill 11, Registries Statutes Amendment Act, 1997.

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

MR. GIBBONS: Thank you, Mr. Speaker. I'm here tonight to speak on Bill 11 at third reading, the Registries Statutes Amendment Act, 1997. This is my first Bill to work on, and it was the second omnibus Bill presented in the 24th Legislature. While we were debating in second reading and Committee of the Whole, we had presented four amendments. I am going to highlight two of them, and those are two that I would have liked to have seen this Assembly look quite closely at. I hope that they will in the future and that we can sit down and possibly look at something else we can do with this.

The main item I want to talk about first is the Builders' Lien Act. We asked all the way through that this Bill be pulled. As we spoke on this in the Assembly and to the presenter and with her staff, we stressed that this section had nothing in common with the other parts of the Bill. It should be noted and also stressed that we said that the Builders' Lien Act should be placed under a different ministry, either under public works or under Justice. For all those members that didn't keep up with their reading during all the time we were debating this, this particular item was pulled from the Ministry of Municipal Affairs and put into public works. My question and that of the members on this side of the Assembly is: why didn't the government hoist this section? No. It was proceeded with. This type of ramming forward of omnibus Bills creates distrust.

Another amendment that we proposed under this section, which I think is something that really has to be thought of, is under section 2(4)(c), "by repealing subsection (2) and substituting the following," on page 5. Our amendment asks for the striking out of (2)(b)(ii). We strongly feel that this portion gives the Ministry of Municipal Affairs too much power. Section 9(2)(b)(ii) would allow a minister to make regulations to override the statute.

10:50

An "enactment" is of course defined in the Interpretation Act to include both the statute and regulations. Clearly such a result offends the Assembly and parliamentary practice. If the intention is to allow regulations dealing with the operation of the registry agents to be subject to a more standardized regulation made under the Government Organization Act, then I expect that 9(2)(b)(ii) could be easily amended to provide for the same without opening up the whole issue of supremacy of the statute.

At this time I'm going to sit down and pass on to other members, but I do feel that this Bill could have been looked at a lot more closely. The fact is that maybe one of these two amendments could have been looked at.

Thank you, Mr. Speaker.

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

MS CARLSON: Thank you, Mr. Speaker. I rise to speak to third reading of Bill 11. I still have some concerns about this Bill in terms of it being an omnibus Bill and dealing with a number of issues which clearly should have been dealt with independently. All of the major issues being dealt with here certainly warranted a Bill of their own, and we're expecting that to happen in the future on issues of this kind of magnitude.

In reading through the replies that the Member for Calgary-Bow made in earlier debate here in the House, I still would like to register my concern in some areas, most specifically the holdback when we're talking about the amount of money that owners or builders can retain from contractors going from 15 percent to 10 percent. As I review the member's comments, she talked about the reduction in the holdback improving cash flow for small contractors. Instead of getting the payment less 15 percent, only 10 percent will be deducted. Well, that may be the case for some of the small contractors, but it doesn't do anything to lessen the liability of whoever has contracted that contractor, being an individual or a company, to do the work if someone falls short of their duties or performance in terms of what they're supposed to be providing. In fact, it substantially increases the liability, particularly for homeowners who for the most part aren't aware of the rules and regulations in terms of how subcontractors have to be paid out in this instance. She made a comment about that in terms of many people not even knowing that there is a holdback.

Well, I think what would be better than having this kind of an amendment in this Bill would have been to undertake an exercise to let people know exactly what their rights and responsibilities are when they're involved in this kind of an activity. That would have gone a long way in terms of limiting the kinds of problems that we see occur, particularly every spring and particularly in the seniors community. There's no doubt that a lot of people who contract work out to a smaller or a larger degree end up having troubles. Particularly unscrupulous operators seem to target seniors in the spring. So to put full information in their hands in terms of what they can do, what the expectations are for them, what the expectations are for the subcontractors, and then the remedies if the homeowner or the contractor doesn't get full satisfaction would go a long way to solving some of the problems that we see occurring year after year in this province. I think if there was a change to be made, that should have been the first issue that was addressed in terms of the holdback issue.

My second major concern with the holdback is that while the Member for Calgary-Bow listed any number of people that were consulted on this Bill and who had input on it, I don't see any specific consumer groups listed here, either individuals who had a history of problems in this area – and that information is readily available. You can easily get it from the Better Business Bureau.

MR. DICKSON: What an excellent idea.

MS CARLSON: Yes. My colleague said that would be an excellent idea. It's an easy thing to have included in this Bill. [interjection] An interesting comment, but I don't think so.

It would have been an easy thing to have included in this Bill and I think would have been really a step forward in terms of increasing the confidence level of people getting home renovations or additions or garages built or whatever the case may be. Then to target specifically the seniors, who have had a long-standing history of problems in this area, there's any number of seniors organizations who I'm sure would have been very happy to participate on a volunteer basis and to go to their membership and get some recommendations from them, some priorities, in fact, in

terms of what they think should have been addressed first. It isn't our job as MLAs to only represent business. Certainly there are other sectors in the community who have a very strong vested interest in what goes into these Bills and how they play out afterwards once they're passed.

MR. DICKSON: Empower the people.

MS CARLSON: Absolutely. Empower the people is the thing to do here. It's very unfortunate that people weren't empowered in terms of this amendment.

I think if you consulted consumers, you would have seen that their number one priority would have been to know what the rules are, what the expectations are. It wouldn't have been to decrease the holdback so that small contractors could increase their cash flow.

I would have to say, after spending some 20 years working with contractors in this regard, that scrupulous operators don't have a problem in terms of cash flow or completing contracts or living with the 15 percent holdback conditions. In fact, they welcome that kind of a holdback because what it tends to do, then, is help flush out the people who are not good operators, who have consistent problems in terms of performance, and they tend to fall by the wayside quite quickly. What we may see happen as a result of this holdback being decreased is that we see more marginal operators staying in the field for a longer period of time. That doesn't help anybody. In fact, that harms other industry members and certainly will cause concern for people who are contracting them. So with regard to that issue those are my only comments.

Then we get to the issue about the law firms being accredited here. The Member for Calgary-Bow said that about 70 percent of the corporate registrations start with professional services offered by lawyers. I'm wondering why specifically that market was identified as being given more access to bill and more ability to shut other people out of the industry. Then what happens with this amendment, too, is that once again the larger operators really get preferential treatment in this kind of a situation. So that's a concern for me.

In her comments she used a large law firm as an example and said that perhaps they would have one person who had in fact gone through the accreditation process and training and would be able to accredit the corporate registration for their clients. Well, my concern is what happens to the small law firms. Are they then shut out of the market? If they're not shut out of the market, are they going to have enough dedicated resources to in fact have properly accredited people and adequate training and upgrading as time goes on and the need is there? So certainly that's a problem, then, in the future. As you add on more requirements in terms of training, you increase the cost of operation. Larger firms who handle larger volumes can certainly absorb that kind of cost, but I have a real concern that the smaller firms can't. I don't think we should at any point in time be trying to exclude anyone from the marketplace, particularly in the kind of economy we have, when many lawyers are unemployed and have a hard time finding jobs.

Then to move on to the vital statistics part, about the funeral directors now being able to submit information regarding deaths by electronic means. In her comments she said parties such as funeral directors, so I'm wondering who else would be included in that scenario. Is it exclusively funeral directors? If that's the case, then we should know. If it's somebody else, then I would like a list of who those people might be.

11:00

I understand that what currently happens is that they send a paper trail, and now they can do it by electronic means. I'm wondering what kinds of checks and balances there are in that system to make sure nothing gets lost in the transfer. While I have a world of confidence in electronic means and computer modes of transport, certainly there are issues around items getting lost or being irretrievable or security breaches. She talked later on about security, but you can have all the security in the world and we know only too well how easy it is for hackers to get into systems and to cause chaos.

In fact, an incident comes to my mind. I just attended a graduation of a grade 12 student who was at a particular high school in this city and over a weekend managed to hack his way into all the records of not only that school but in fact the school board. That young man was suspended from that school and ended up going to another one to complete his degree. We know that with gradings and personal information and that kind of thing that's kept in the school system, we want to maintain the integrity of the system and expect that to happen. Well, if a young man can get into that system that's supposed to be secure over a weekend and cause quite a bit of damage, then what's to say that the existing security measures they have in this system in fact will remain intact and will maintain their integrity over time. I'd like a little bit more information. I would have liked to have seen it here in terms of how they expect security to be hacker-proof and how they intend to upgrade it as changes happen in this quickly changing industry.

Then she talked about this initiative allowing "for faster service through the on-line entry of such requests." The integrity of the information is a concern there.

Then she talked about "only a limited number of new clearances" being "made available to the private sector" in terms of privacy and security of the information. I'm wondering where the level playing field is there. Is it not going to be accessible to everyone in the industry, or are there some select people that are going to have access to it? Those clearances, if there are only a limited number of them, then become a commodity that is tradeable within the industry and with new people coming into the industry. I'm wondering how they expect to do that.

One comment in terms of the security measures again is: who's going to monitor that system, and who's going to absorb the costs for that?

Then she talked about: "the strict security measures will lessen the likelihood of any fraudulent creation of certificates." I am wondering if there was a problem in the past, and if so, it would be interesting to know what the nature of that problem was.

Mr. Speaker, that concludes my comments on Bill 11.

MS LEIBOVICI: I heard the great cries of anticipation as I stood to take my place here, and I'm quite pleased that members are just waiting with bated breath to hear my comments on this important Bill.

MR. DICKSON: I am.

MS LEIBOVICI: I know that the Member for Calgary-Buffalo will always be there for me, to hear what words I have to say.

Bill 11, which is the Registries Statutes Amendment Act, 1997, is, as we know, misnamed. When you turn to page 1, the first thing you see is "Builders' Lien Act." What has that to do with registries? We know that what it has to do with registries is

absolutely zero. We then turn to page 2, and what do we see? Do we see registries? No, we see "Government Organization Act." What does that have to do with registries? Well, a little bit, but you would think that it would be under that particular Act. Then on page 7 we go to the Vital Statistics Act.

So again we've got a hodgepodge omnibus Bill that I think, quite frankly, is put together so that if there is one section of the Bill that's acceptable and there's another section of the Bill that is not acceptable, then the decision is: what do you do? Do you pass or not pass? Do you agree, disagree? I think that's one of the reasons this Bill is put together the way it is.

Now, it's interesting when we look at the Builders' Lien Act and when I look at the words of the Member for Calgary-Bow, the member that brought forward the Bill, and what she indicated in terms of the Builders' Lien Act. She indicated that there had been a task force that was set up, that there were three subcommittees representing residential, industrial, commercial, and institutional construction and oil and gas related construction. So other than the consumer, of course, it seems that everybody was consulted.

It's very curious that what she then indicates is that "the holdback fund was one of the recommendations agreed upon by all representatives and judged to be beneficial to the majority of Albertans," and that's why this particular amendment was brought forward. What she neglects to say, however, is that while that particular holdback has a positive affect on the contractor's cash flow, an organization such as the Alberta Construction Association, who I'm sure was one of these particular groups that was consulted, indicates in a newsletter that was sent out:

> However, there are still more changes required to make the Act truly effective. The stakeholders disagree on changes to the current legislation because their businesses and their clients are very different. Therein lies a serious impediment to the effectiveness of the Act. It attempts to do too much for too many. In order to remove this impediment it will be necessary to separate provisions as they apply to home-builders, ici (industrial, commercial, institutional) contractors and the petroleum industry. We will bringing forth proposals to remedy the problem in the near future.

It goes on to talk about:

> A further area warranting serious consideration is access to the Small Claims Court for liens of a value within the limits of the jurisdiction of that Court. At present suppliers and contractors are reluctant to file liens on small claims because of the costs associated with resultant actions. This detracts from the value of the legislation.

That's just a little indication that all is not well, that all have not agreed, that this is a small step but, in fact, does not address some of the major concerns these stakeholders have. So the question is: why bring forward this particular piece that is only a small piece of what obviously some of the stakeholders, who are not all inclusive, see as an issue and stick it into the middle of the Registries Statutes Amendment Act? I don't know. I can't make heads or tails of it. Perhaps one of the drafters in the minister's office woke up, had a bad dream, and thought: "Oh my, I've got to put the Builders' Lien Act somewhere. I can't figure out where to put it. Looks like it's good. Bill 11, Registries Statutes Amendment Act, 1997. Let's stick it in there."

Obviously, it hasn't been well thought out. Obviously, it's premature in terms of being put forward in this Legislative Assembly. Obviously, as we've seen with most of the Bills that have been brought forth in this session, we will be back yet again, probably next February or March, with another Bill entitled, I hope, the Builders' Lien Act, as opposed to something called registries statutes with builders' lien hidden in there.

11:10

I guess this Bill is just an indication of the confusion that appears to be on the government side when it comes to some of these Bills and the lack of direction we have seen and the requirement that this government has to fix up that which it brought forth in the last three to four years. We see that as we move on to the Government Organization Act and look at what is happening within the registries sector. We look at the fact that there are questions when it comes to the confidentiality of information, particularly when the reason one of the changes is being made is, as indicated again by the Member for Calgary-Bow on May 26 of '97, that

> what is contemplated is that parties such as funeral directors would be able to submit information regarding deaths by electronic means rather than paper documents.

Well, if electronic means were that efficient, if electronic means were that reliable, why do we all have filing cabinets full of paper in our offices? If electronic means were that efficient, if electronic means were that reliable, why would, for instance, someone like the minister of social services, when he is practicing in his office as a licensed physician, have medical records that are written on paper? Why? Why would the Minister of Health have files? There's no need. There's no need. [interjection] Because that minister knows nothing about computers is what he's indicated.

Well, if that's the case . . .

DR. TAYLOR: He should ask the minister of science and research. I'll teach him.

MS LEIBOVICI: The minister of science, research, and technology has so gallantly offered to help the Minister of Health in the area of computer knowledge.

The reason is that there will always be a requirement for a paper trail, that there is always the off chance, always the question mark, always the maybe that that computer will fail, always the possibility that that information will be wiped out. How many of you who have actually worked with computers have had that happen? How many times have we heard: the computer has crashed? The worry as to what happens with that information: that's why you need that paper trail.

So given what will happen here – sure, it might be quicker. Instantaneously you will have that electronic movement of information, but the reality is that you will also have the paper flow. The efficiency that is seen to be within this particular amendment will in fact not really occur. You will have a double process like we have in most of our offices, and that's what will occur.

With regards to vital stats and the whole issue of privacy, the reality is that that issue of privacy has not been addressed within this piece of legislation. The ability to have inputting occur from various geographic locations across the province will in fact, I think, create a situation that will see people who are really not dead being recorded as such or vice versa. I think that is a situation that we need to be vigilant about.

One of the most interesting areas that I found was the response by the Member for Calgary-Bow on the issue of regulations. As I've indicated before, whenever the word regulations is mentioned the Member for Peace River pops into mind, because that member is the king of deregulation, of trying to get as many regulations as possible out of the books of the government. But here within this Bill is again the ability for a minister "to make regulations" – and

I'm quoting at this point, because I think it's important that everyone spend a little bit of time to digest what the member has said – "that will supersede the need for legislative considerations and reduce public scrutiny of the regulatory changes." That was the question, if that's what would happen. The answer was:

> The government of Alberta is determined to reduce redundancy and streamline legislation . . .

That's our Member for Peace River.

> . . . to provide an effective and efficient mechanism for all Albertans to manage their affairs. The amendment to Bill 11 . . . enables the minister through regulation to effectively respond to the needs of Albertans.

So what are we having? In order to reduce redundancy and streamline legislation, we're going to increase regulations.

Okay. If we're going to increase regulations, there's got to be a reason for that. Well, the reason for that, according to the Member for Calgary-Bow, is that

> today's global economy and the constant changes occurring in technology . . .

That's where our minister for science and technology comes in.

> . . . demand that individual and corporate needs are met in a timely and effective way. Many of these changes relate to administrative efficiencies, and through regulation the government has the flexibility to adapt.

But you know what? Regulations are not going to happen overnight. The reason for the regulations is because there's constant changing of technology, and we know in this world we're talking in nanoseconds. There's constant changing in technology, so we want to have a quick response time, you would think, and that's why you have regulations. Regulations, as we have talked about, occur behind closed doors. There's very little public scrutinizing. The minister sits down with his cabinet colleagues, decides this is what the regulation is, writes it out or has his department write it out, and then the regulation becomes law.

What's going to happen? This is a commitment from the Member for Calgary-Bow. Whenever there's a regulation that occurs with respect to Bill 11, I think every one of us in this Legislative Assembly is mandated, has been – because this is the commitment that's been put forward by the Member for Calgary-Bow – to hold that member to her word. What it says is:

> The authority of the minister to make regulations is not taken lightly and is done only after careful and cautious consideration of all the issues.

Now, that doesn't mean, according to the Member for Calgary-Bow, that the minister will sit down over a cup of coffee and say: okay, I'll consider this and then decide what I'm going to do. What it means is that

> whenever a regulation is made, considerable consultation is made with all stakeholders and interested Albertans. The regulations also undergo intense study by government officials. It's through this mechanism that the public is able to provide the much-needed input and direction before a regulation is made.

That's the commitment from the Member for Calgary-Bow, that before a regulation is made in this particular Act – and it's here in black and white. If anyone wants to look it up, it's on page 743, May 26, 1997, of *Alberta Hansard*, Monday afternoon, issue 23, the 24th Legislature, First Session, if there is any doubt.

If there is any regulation that is passed under Bill 11 that has not gone through the scrutiny of the public and has not gone through the intense study by government officials and all of that information is not open to the public so that they can have their much-needed input and direction before the regulation is made, then I think it is the responsibility of each and every member in this Legislative Assembly, including those members on the front bench, to take that member to task, because if you are going to make a public commitment in this Legislature that that is going to happen, then I believe perhaps there should be consequences if that does not happen. Those consequences are something that perhaps the rules and regulations committee – perhaps there are other standing committees of the Legislative Assembly that look at the conduct of members within the Legislative Assembly. If there is any regulation that is passed under this Act that does not meet those criteria, then that member has not fulfilled her promise to the members within this Legislative Assembly or to the people of Alberta or to the stakeholders that are involved in this particular Bill.

11:20

The reason, however, that this type of legislation can come forward and these words that indicate that regulation is a lot more efficient and effective than debate within the Legislative Assembly, than the give-and-take within the Legislative Assembly, is the lack of consideration for the process, for the accountability, for the reason of this Legislative Assembly and I think is a lack of respect for the democratic institutions we were elected to be part of.

When you look at the underlying principles behind Bill 11, which is the Registries Statutes Amendment Act, and when we recognize that the registries are a strange hybrid that a former minister wished to privatize – the minister, due to skillful questioning from this side of the House stood up and said: well, I don't need the Legislative Assembly to privatize registries; I will do it through the back door.

MR. DICKSON: That would have been the now Minister of Energy.

MS LEIBOVICI: Well, that is the current Minister of Energy. Then he proceeded to do so. Now we have a Bill put before us that in fact is trying to amend and trying to justify those actions and also trying to ensure that the registries can in fact sustain themselves within the economy. We know that there are too many registries within the province of Alberta. We know that the registries have requested that they be given additional services so that they can charge. We know that when you are looking at that, as the Member for Calgary-Bow again indicated, there was a need for improved technology and improved methods. What that basically means in this user-pay situation that we have within the registries is that the cost of birth certificates, the cost of death certificates, the cost of the various services that the registries are providing – those user fees, those taxes will be increased. Otherwise, how can the registries make a living? They are there to make a living. They provide a service, but they also are there to make a living.

DR. TAYLOR: Is there something the matter with that?

MS LEIBOVICI: No. There's absolutely nothing wrong with that. But the question is: should that service remain within the government, or should that service have been privatized? If it is being privatized, what are the costs to the individuals, to the Alberta taxpayers, in out-of-pocket expenses? And is it cheaper for that privatization to have occurred? Those are the kinds of issues that I have not seen brought forward in this Legislative Assembly. I have not seen a cost-benefit analysis done to show the average taxpayer that in fact it is cheaper to have the registries as this hybrid model of privatization as opposed to having it kept within the services of government. When the minister of science

and technology can show me that cost-benefit analysis, that in fact this service is not costing more to the taxpayer, then we can look at where the services should be provided from.

Now, the Registries Statutes Amendment Act, as I indicated, is a hybrid, is an omnibus Bill. It, I think, does not serve the taxpayer well. I think there are areas within this Bill that appear to be quite technical, and I think these particular areas may well have consequences that we are not quite aware of. I have great difficulty in supporting the Bill in its current format.

Thank you very much.

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

MR. MacDONALD: Thank you, Mr. Speaker. I would like to say a few words on Bill 11 this evening, the Registries Statutes Amendment Act, 1997. My words could be summed up this way, briefly – I have a few more things to say – say no to Calgary-Bow. We have to say no to Calgary-Bow.

A few of the highlights in this Bill. We're going to change the Government Organization Act as it relates to registries and how information within certain registries is accessed, controlled, and distributed. Now, the Government Organization Act is a legislative legend, Bill 41 in the 23rd Legislative Assembly. Every time I read or want to have anything to say in here, Bill 41 comes up. I didn't realize it was going to be such a historic piece of legislation when I watched with interest from the sidelines the proceedings of this Legislature. But here it is again in this Government Organization Act. We're deregulating more and more things. I don't know. Soon there will be nothing to do here.

We are allowing the registries in this province a lot of leeway. Now,

> the re-engineering of corporate registry and vital statistics will create a more efficient data management process through employing new technology and entering into private-sector partnerships for the delivery of products and services.

These private-sector partnerships are going to jeopardize the privacy of the citizens of this province, whether it be in motor vehicle licensing, in vital statistics, marriage records, all public records. I do not believe that the security of this system will be sound.

We claim here that "Alberta Registries can achieve greater efficiencies." There hasn't been anyone coming into my constituency office complaining about the efficiency of vital statistics. They've been coming in complaining about their private and personal information being made public without their knowledge. I've had a small parade of people since I've been elected come on Fridays, and they're complaining about this very thing.

"The protection of privacy," it goes on here to say, "will continue to be a primary role of government." Well, I disagree with this. I have to say no, again, to Calgary-Bow. Registration processes are going to change, and the electronic surveillance is not going to be adequate. We don't know where these registries are going now. I was told there was even one in Edmonton Motors. "We're going to sell you a car, and we're going to register it." That's maybe not a sound idea. I can see how we can talk about having consumer efficiency where a salesman can come along and sell you a car and then we can register it over here, and it's a one-stop shop. But, Mr. Speaker, I don't know if this is in the best interests of everybody here, because there is so much information that can be on that electronic data. Where it's going to go, we do not know. Is it going to be in the police service? Is it going to be intercepted by some unscrupulous operators and sold? The commercial end of this information, the idea that it could be sold for profit without people being aware of it: I don't think this was thought about when this legislation was enacted or thought about. We have to be very, very careful about the distribution of information and the further privatization of these registries. It's not in our best interests to have our personal information in the hands of unscrupulous operators. From what I can gather in here, there's no way of allowing proper policing, if I could use the word, of statutory offices in the registries themselves. This is unclear to me.

11:30

I'm unclear about the designated documents. Who is going to control these designated documents? Are we talking here about law firms having these discretionary powers with private information? It could be members of this House. The section provides that any document that has a seal of a statutory office is deemed to have been signed by a statutory office. Now, what are we going to do if this information is transferred electronically? On this matter again I have to say no to Calgary-Bow.

With these few words on this Bill, Mr. Speaker, I shall take my seat. Thank you.

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

MR. DICKSON: Thank you very much, Mr. Speaker. I just wanted to confirm that as I understand the Standing Orders, we would probably be operating under Standing Order 29(c), which would allow a member to speak for 30 minutes because there are so many elements to the Bill. Fine.

Mr. Speaker, reading through this Bill is a little like trying to work your way through a Tom Clancy novel. You get so bogged down in the detail that the author wants to take you through that you sometimes have difficulty focusing on the general overview, the principles.

DR. TAYLOR: Robert Ludlum, not Tom Clancy.

MR. DICKSON: Ludlum doesn't fall into the same problem.

What happens is that you have to try and sit back, and third reading gives us that unique opportunity to do it. Mind you, we don't all have quite the same experience in the House. In fact, sometimes speaking in the Assembly late at night – it's about 11:35 now – I look around and have enormous sympathy for members on the government side. It's sort of like if you've seen those 2005 dark glasses that the Calgary expo committee is promoting. Everybody wears these 2005 glasses with the dark lenses. Speaking in the House tonight and looking around, it's like everybody else in the Assembly is wearing these dark glasses. They're all seeing something very different in this Bill than this member and my colleagues are. There's something in the lens that distorts and gives a different coloration to something like the Bill we're dealing with. How else could we possibly make some sense of a government that brings forward a Bill like this with at least three different elements and then attempts to defend it by talking in terms of government efficiency?

Really what we're dealing with are what ought to be three different Bills. We have a builders' lien amendment Act, we have a government organization amendment Act, and we've got a vital statistics amendment Act. As has been said so many times before, by rolling all of these disparate elements in, hung together only by

the thinnest possible thread, the fact that they all deal with registries – and I say this with all due respect to the member sponsoring the Bill: I think it's a bit bogus to say that that thread warrants and justifies bringing all of these elements together in a single Bill. That just doesn't, frankly, make good sense. In pith and substance these are three different statutes tied in. The title is so vague and the thread connecting them is so thin that it verges on misleading Albertans, not just those Albertans that may choose to happen to read the Bill but those other Albertans who will be taken to have notice of a major change to legislation. If you're in the construction industry, you're certainly going to be affected.

The Government Organization Act: Lord knows who is not affected by that. The Government Organization Act, which is amended by section 2 of the Act with all of its many subsections, is one of the most pernicious and dangerous statutes we've got in the province. It was bad enough before, but what's happened in the Bill that we're now dealing with at third reading is that we have the absolutely staggering proposition that a minister through "a regulation made pursuant to subclause (i)," is going to prevail "over the provisions of the enactment under which the registry operates." I'm looking, of course, at section 2(4)(c), and it would be the new subsection 2(b)(ii).

It seems to me that this proposition that a regulation made by a minister, not by the Lieutenant Governor in Council but by a single minister – the ability to override a statute passed in this Assembly is just staggering. The audacity of anyone to put forward this kind of a proposition and then for the government to defend it. I don't want to pick on the Member for Calgary-Bow, because when she speaks, she speaks on behalf of the government. For the government to suggest that this is simply about efficiency, that it's about flexibility, in fact the words that were used on May 26, 1997, at page 743 in defending this particular element:

> One of the questions raised was that Bill 11 will enable the minister to make regulations that will supersede the need for legislative considerations and reduce public scrutiny of the regulatory changes. The government of Alberta is determined to reduce redundancy and streamline legislation to provide an effective and efficient mechanism for all Albertans to manage their affairs.

This has nothing to do with "all Albertans to manage their affairs." This is about how the government can economically and efficiently manage its affairs in the most undemocratic fashion conceivable.

You know, if the government were so interested in efficient and effective operation, maybe what we should do is commit to have a spring session and a fall session of the Legislature every year. Maybe what we should commit to is a requirement that the government outline its legislative program at least three weeks before the session commences. If we really wanted an efficient system, maybe what we'd do . . .

THE DEPUTY SPEAKER: The hon. Member for Airdrie-Rocky View is rising on a point of order.

Point of Order
Relevance

MS HALEY: Yes, Mr. Speaker. *Beauchesne* 459. I'm just wondering what the relevance of Bill 3 is to where the gentleman that's speaking is going to.

THE DEPUTY SPEAKER: The hon. Member for Calgary-Buffalo to explain relevance.

MR. DICKSON: Well, firstly, I'm not sure what Bill the Member for Airdrie-Rocky View is looking at. Bill 11 is the one I'm speaking to. I'm happy to point specifically to page 5 of the Bill, and if we look at the provision of section – I cited it a moment ago – it's section 2(4)(c) and it's the new subsection 2(b)(ii). The provision there says, and I quote.

MS CARLSON: Give her the page number.

MR. DICKSON: On page 5 the provision there says:

> (ii) unless otherwise provided for in that regulation, a regulation made pursuant to subclause (i) prevails, in respect of matters provided for in that regulation, over the provisions of the enactment under which the registry operates.

That is the specific provision I'm talking about. It's a key element in Bill 11. I'm not talking about amendments moved and defeated. I'm simply talking about what, from my perspective as an elected legislator, is an absolutely key principle.

11:40

I go further and say that the relevance is surely determined by the proponent of the Bill, who said on May 26, 1997, page 743, in *Hansard* – I won't go through and read the whole quote again, but I've mentioned it before. It seems to me that all of that establishes the relevance of the point I am making now.

THE DEPUTY SPEAKER: Well, I think the hon. Member for Calgary-Buffalo has assured us enough for the moment and the hon. member who was questioning that he was relevant to the Bill, so we'd ask him to continue.

Debate Continued

MR. DICKSON: Thanks very much, Mr. Speaker. The issue we've got then is trying to understand why it is that we would take not just regulations made by the Lieutenant Governor in Council but regulations made by a minister and allow them to be overruled. What had been argued by the Member for Calgary-Bow on May 26 – she talked about regulations not being made lightly by a minister but "only after careful and cautious consideration of all the issues." Well, how can she say that? The regulations made by a minister aren't made pursuant to the Regulations Act of the province of Alberta. That at least establishes some format.

I challenge the Member for Calgary-Bow to tell me what requirements there are for a ministerial regulation to be, in the words of the Member for Calgary-Bow, "done only after careful and cautious consideration of all the issues." In the Regulations Act there at least is a formula. There's a mechanism. There's a process that's codified and is part of the law of the land. With a ministerial regulation, we're out in no-man's land. So how can the member say that? Yet we need that assurance before we could possibly support Bill 11 in the fashion it is.

Let me go further and offer these two examples. We see problems even with regulations made through the Lieutenant Governor in Council pursuant to the Regulations Act. Two examples come to mind. The regulation that was passed just before October 1, 1995, the freedom of information fee regulation: that was a regulation that made absolutely no sense, couldn't conceivably have been made "only after careful and cautious consideration of all the issues." The licensed practical nurse regulation made just a couple of weeks ago couldn't possibly have been made in the fashion that's been represented. I use those only as examples, Mr. Speaker, to show you and all members how dangerous it is to give this incredible kind of power to a minister to make this kind of regulation. This isn't an academic exercise.

This is an attempt to identify a very real problem we've got in the Bill.

Mr. Speaker, I have a great deal of sympathy for government members, because I can think of few things . . .

DR. TAYLOR: Don't just say it. Sit down.

MR. DICKSON: I don't have that much sympathy, Mr. Speaker. I think it must be absolutely torturous to have to sit in your seat silently and have to listen to debate on a Bill that government members have presumably wrestled with through their standing policy committees and through the government caucus meetings. When they come in here, I understand them being sated with discussion on these things and wanting to move forward, and I understand the frustration when your chief responsibility is not standing up and raising questions in the House for fear of embarrassing the government minister. But we have a very different role. While I'm respectful and sympathetic to government members who feel that their patience is being tested, it's very much a question, as we get to third reading and dealing with this kind of Bill, that this is the last opportunity we're going to have before this becomes law to be able to outline those kinds of concerns.

Sometimes it seems that points have to be made at second reading and then raised again through amendments at the committee stage and then finally reinforced at third reading. Even then sometimes the message doesn't seem to penetrate the consciousness of the government policy-makers. That's part of the role we have. So we can certainly feel some sympathy for government private members, but we expect them also to respect the role opposition members have in terms of identifying weaknesses in the Bill.

THE DEPUTY SPEAKER: Could we go to third reading on Bill 11, please?

MR. DICKSON: Absolutely, Mr. Speaker.

I wanted to move to the Vital Statistics change. It was helpful to see the explanation offered for the Member for Calgary-Bow in terms of why it was felt that was needed. This has been mentioned by other speakers, so I'm not going to elaborate further. As we look at the government explanation for the Vital Statistics Act changes, I think one is left with the recognition that what we're in effect doing is extending the power of people to make decisions dealing with the most personal kinds of information to people who are further and further removed from a minister. That simply compounds the risk for misuse, abuse of personal information.

When the Member for Calgary-Bow said, as she did on May 26 at page 743 – and I'm referring, Mr. Speaker, to page 7 of Bill 11, the new section 3. I'll just quote what the Member for Calgary-Bow said.

> Registries will implement strict security measures to protect the public and the integrity of vital records and certificates, and the strict security measures will lessen the likelihood of any fraudulent creation of certificates, which will certainly limit and restrict those activities.

Well, Mr. Speaker, would those be the same kind of security measures, would those be the same kind of protective devices that were supposed to be in place in terms of motor vehicle licences? Were those the same kind of security safeguards that in fact failed completely when we had young people in Calgary being able to access on a fraudulent basis through a registry office false motor vehicle licences? Certainly we've had the evidence also of computer information, in fact hard drives being sold as surplus equipment by the provincial government and then a host of personal data being discovered on them.

So when the government talks about strict security measures in defending this Bill at second reading, surely all Albertans are entitled to ask: are those security measures going to be any different, any better, any more vigorously applied than the ones that the government said they were putting in place before, when we were having private registry offices? So the credibility of the government is not really terrific when it comes to that.

The other thing that is curious that I wanted to raise at third reading on Bill 11, specifically in dealing with section 3, was the exchange that happened in the budget in terms of registries when we saw in the 1997-2000 business plan that registries is to reduce its total program budget by $6.8 million and eliminate 71 full-time equivalents. What we saw was a commitment to move to more outsourcing, to delegate more and more administrative services. One has to ask, Mr. Speaker, as I think any interested or concerned Albertan would: is this particular element, the Vital Statistics Act portion of Bill 11, simply another means to try and outsource more administrative services? Is that really the motivation here? I think people could certainly be able to ask that question with some justification. That was certainly a very fair issue that was raised when we were dealing with the budget estimates earlier.

11:50

The comments in terms of the Builders' Lien Act: much has been said on that. I would just offer the observation that when the Member for Calgary-Bow says, as she did in defending this particular change – I can't find it right offhand, but she talked in terms of one of the problems being that homeowners often don't know what their lien holdback obligations are. It just seems to me that clearly that's true, because we don't have an adequate public legal education program. But surely there are better ways of addressing that than bringing in the section 1 that we see in front of us in Bill 11.

If we look at section 1(3) – this is the new provision that's going to be added after section 56, a new 57 – the effect of it is to reduce the lien holdback from 15 percent to 10 percent. I just join with my colleagues who raised serious concerns about who's really being protected by that. It's clear that the consultation wasn't as comprehensive as the government would represent or have us believe. It's clear that consumers are the one group that's missing from the equation. We know that this government has acute hearing when it comes to what business has to say, at least some business, and then a remarkable kind of deafness when it comes to what Alberta consumers, homeowners, have to say. So maybe this Bill is simply further evidence of that.

I think those are the principle concerns I wanted to raise on Bill 11. I think the Government Organization Act in particular doesn't belong in Bill 11. That's the place where the connection with the registry statutes is absolutely weakest. One would hope that any further amendments to the Government Organization Act, because of the anti-democratic nature of that incredibly powerful Bill, should come in as a stand-alone piece of legislation, Mr. Speaker.

Thanks very much for your patience.

SOME HON. MEMBERS: Question.

THE DEPUTY SPEAKER: Okay. The question's been called. The hon. Member for Calgary-Bow has moved third reading of Bill 11, Registries Statutes Amendment Act, 1997. Does the Assembly agree to the motion for third reading?

SOME HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed?

SOME HON. MEMBERS: No.

THE DEPUTY SPEAKER: The Bill is carried.

[Several members rose calling for a division. The division bell was rung at 11:54 p.m.]

[Ten minutes having elapsed, the Assembly divided]

[The Deputy Speaker in the Chair]

For the motion:

Black	Haley	Mar
Boutilier	Havelock	Marz
Broda	Hlady	Renner
Burgener	Jacques	Severtson
Cao	Jonson	Stelmach
Coutts	Kryczka	Strang
Day	Laing	Tarchuk
Fischer	Langevin	Taylor
Forsyth	Lund	Thurber

Against the motion:

Bonner	Gibbons	Paul
Carlson	Leibovici	Zwozdesky
Dickson	MacDonald	

Totals:	For – 27	Against – 8

[Motion carried; Bill 11 read a third time]

[At 12:08 a.m. on Wednesday the Assembly adjourned to 1:30 p.m.]