# Legislative Assembly of Alberta

Title: Monday, March 10, 2003 8:00 p.m.

Date: 2003/03/10

[The Deputy Speaker in the chair]

The Deputy Speaker: Please be seated.

# head: Motions Other than Government Motions

#### Constitutional Reform

502. Mrs. Jablonski moved:

Be it resolved that the Legislative Assembly urge the government to investigate and implement steps to strengthen Alberta's position within Confederation.

[Debate adjourned March 3: Mr. Lord speaking]

The Deputy Speaker: The hon. Member for Calgary-Currie.

Mr. Lord: Thank you, Mr. Speaker. When we foolishly make decisions in anger, we usually end up jumping from the frying pan into the fire, so it's very important to calmly look into a mirror first to see if there is anything more that we should or could be doing in order to strengthen Alberta's position within Confederation. Otherwise, we might not find ourselves occupying the high moral ground that we thought we were and which will be needed to win our case. Rather, we might end up being portrayed as a bunch of greedy, ill-informed whiners complaining all the way to the bank, which would only make everyone even angrier. The facts are plain: Alberta on average is doing exceptionally well right now compared to the rest of the world despite all our complaints about Ottawa, so much so that one might want to question what is reality and what is merely perception. Why are things going so well for us if everything is so bad?

It's also abundantly clear that Quebec, which many people point to as a province whose strategy we should be emulating, is not doing so well on average at all, largely a result of investor uncertainty caused, in my mind, largely by the constant raising of the extortionist threat of separation. I know as a former stockbroker that that has not only led to what is probably the largest drain of investment capital in Canadian history and, further, stifled untold billions more from being invested there in the first place, but it has also led to the largest brain drain of human talent in Canadian history out of that province as well. Whatever little bit of extra federal welfare they get in return, in my mind, comes at a very high price and is a drop in the bucket of what they would now need to turn things around. I suggest that we learn from their mistakes and recognize their colossal blunder for what it is and not emulate it at all just because it gets them a little more welfare than what we get. It's cutting off your nose to spite your face in my view and not something a proud people do.

Mr. Speaker, a nation's assets are not measured in dollars and cents alone, and wealth transfers, in fact, are not measured in dollars and cents alone either. The fact is that a well-educated, hardworking population is a nation's greatest asset. So when we look at how many of Canada's best and brightest people are moving to Alberta, you have to realize that when we look beyond dollars and cents to this transfer of people, we are witnessing one of the largest wealth transfers in Canadian history into Alberta. At the same time, we have seen one of the largest wealth transfers in Canadian history out of Quebec.

How big is this transfer? Well, I estimate that if you add up the contributions to Alberta's GDP of just the people who have moved to Alberta in the last 20 years, over their 30-year career average it

might be as much as \$350 billion. That's \$350 billion of new wealth Alberta wouldn't likely have otherwise. Think of the annual taxes we are now collecting as a result of all these new people moving here because of uncertainty, bad government, and lack of opportunity elsewhere. This is only in estimated dollars and cents. Think of all the other important contributions that these new Albertans will make to Alberta as well in coming years. Raising the separatist threat in an extortionary manner, Mr. Speaker, in my mind, is one of the very few things that might actually derail the Alberta economy, and I am very concerned that we do not follow any false prophets and go down that garden path.

So what should we do to improve Alberta's position within Confederation? Well, there are a lot of things I'd like to get into, but I am out of time today with only four minutes. I do like the idea of tackling this problem of improving Alberta's position within Confederation. In fact, I envision Alberta maybe even helping to save Canada by continuing to demonstrate the benefits of capitalism. So I thank the Member for Red Deer-North for having brought up an opportunity to begin discussions on this very important issue.

Thank you, Mr. Speaker.

An Hon. Member: Question.

**The Deputy Speaker:** Someone has called the question. It's unnecessary to do that, but apparently they felt compelled to do so.

We permit at the end of the allotted time – the hon. member spoke to within about two seconds of it – the mover, the hon. Member for Red Deer-North, to close debate.

Mrs. Jablonski: Thank you, Mr. Speaker. In closing debate on Motion 502, urging the government "to investigate and implement steps to strengthen Alberta's position within Confederation," I would like to address the importance of this motion.

Mr. Speaker, many of my constituents of Red Deer-North have day-to-day concerns about raising their families, paying their utility bills, the cost of gas at the pumps, and getting good health care. The majority of my constituents in Red Deer-North are very loyal Canadians, and most don't really care about strengthening Alberta's position within Confederation. Most don't care what level of government looks after health care or education as long as they have employment, good health care, and good educational opportunities. Many of my constituents won't care about strengthening Alberta's position in Confederation until the economy and their jobs are affected. When the federal government in central Canada imposes legislation that seriously affects the economy of Alberta and jobs are lost, companies go bankrupt, and families are destroyed, then Albertans will demand to know what the provincial government of Alberta did to protect their rights.

In the past year Albertans have opposed Ottawa on several key constitutional issues. The most prominent of these is our government's disagreement over the Kyoto protocol. Several other issues that Albertans have expressed concern over are the Canadian Wheat Board's continued monopoly, the federal gun registry, and the attempts of the federal government to attach conditions to further health care funding. These issues are further complicated by the fact that Alberta is currently paying \$9 billion per year more into federal equalization and transfer programs than the province receives in return from these programs.

Generally, there are five prominent recommendations for change that would strengthen Alberta's position within Canada. These five ideas include an Alberta pension plan, an Alberta provincial income tax collection agency, an Alberta police force, the resumption of provincial responsibility for health care, and forcing Senate reform back on the national agenda. Motion 502 does not necessarily endorse these suggestions but asks the government to research and investigate these possibilities as well as other means through which the position of this province in Confederation can be strengthened. These are all constitutionally valid ways through which Alberta can protect itself against federal encroachment.

Alberta would not be the first province to implement some of these recommendations. Quebec is already way ahead of Alberta in strengthening their position in Confederation. Alberta has, however, always been a leader in developing policies and strategies that continue to build on our success and strength while identifying common areas for interprovincial co-operation and provincial/federal co-operation within Confederation. Alberta has a well-deserved reputation for honestly facing problems, developing workable solutions that meet the needs of all parties concerned, and above all defending the interests of Albertans.

Mr. Speaker, as I have said before, to those Albertans who are talking about separation, I challenge them to work with us to build a strong Alberta inside the Canada that our Fathers of Confederation wanted it to be. For the sake of those in the federal government and Alberta's opposition parties that find it difficult to understand the intent of this motion, it is not a motion about separating. It is a motion that requests action to strengthen this great province and thereby strengthen this great country of Canada. By having stronger voices, we have a stronger nation – stronger provinces, a stronger nation – for to do nothing and to accept the status quo is to weaken Canada.

In conclusion, Mr. Speaker, I would encourage all members to support Motion 502 so that Albertans will always be assured that federal government policies will only affect their jobs and their economy in a positive way.

[Motion Other than Government Motion 502 carried]

# Incentives for First-time Home Buyers

#### 503. Mr. Shariff moved:

Be it resolved that the Legislative Assembly urge the government to establish a financial incentive program to encourage first-time home ownership.

Mr. Shariff: Mr. Speaker, I've great pleasure in rising today to sponsor debate on Motion 503. Over the past 10 years the province of Alberta has experienced a tremendous expansion in growth. Due to the hard work of all citizens of Alberta we have created an environment that is the envy of the rest of Canada. This expansion, however, has come at a cost to Alberta, a cost in terms of unaffordable housing and accommodation. The purpose of introducing Motion 503 for debate in this Legislative Assembly is to urge the government to establish a financial incentive program to aid first-time home buyers. These are potential home buyers who through the regular channels of borrowing might not otherwise be able to afford reasonable and adequate accommodation.

## 8:10

Mr. Speaker, with our phenomenal population growth the province of Alberta has also experienced a dramatic rise in the value of real estate. It is a simple example of supply and demand. For example, the average price of a home in Calgary and Edmonton is over \$200,000. For those Albertans who are desperately attempting to save towards that first home purchase, the timing and environment could not be any worse. Interest rates are at an historical low, unemployment levels have maintained their low levels, and the Alberta economy is continuing to lead the country in growth, yet

many working families do not have the means to be able to afford purchasing reasonable housing. Most families today are two-income households struggling to pay a high rent and bills for day-to-day living. Most are unable to even consider putting money aside for a down payment. Those who are able to save a little find themselves unable to qualify for a mortgage because of high debt ratio.

Mr. Speaker, as I look around the country, there are many models of programs encouraging home ownership. For example, the federal government through the Canada Mortgage and Housing Corporation offers what they call a home buyer's plan, which allows first-time home buyers to use up to \$20,000 of money in the RRSP program towards a down payment for the purchase of a home. This program is great for those who have the resources to put aside money for retirement and invest those savings into home ownership.

However, there are many young Albertans that are struggling to meet the heavy debt load they carry after graduation. According to Alberta Learning, as of March 31, 2002, the average debt load for a university undergraduate today is \$18,871. For a graduate student that figure rises to \$28,824. In my office I have seen young couples who have \$60,000 to \$70,000 of student finance debt. Many of us who have children currently in postsecondary programs know that the cost of education has risen dramatically. Many parents who previously were able to help fund some of their children's education costs are now unable to do so. Therefore, young people are being burdened more and more with carrying higher and higher education debt loads.

Mr. Speaker, the point here is that attempting to secure that first job to pay off these burdensome debts makes it financially impossible for many young people to put enough money away for a house purchase. As well, with the pressures of contributing to an individual pension fund, knowing that the Canada pension plan as it currently stands will not be around for any length of time, with paying down student loans, with the increasing cost of living in many urban centres where the jobs are located, and with real estate prices in those centres rising beyond the budget of many, it is less likely that many young adults will be able to afford the purchase of a first home.

Some of you may recall that in 1976 the Alberta government, through an entity known as the Alberta Home Mortgage Corporation, offered the starter home ownership program. This program was offered to assist low- to middle-income families purchase their first homes. This program lasted until 1984, when it was disbanded. One of the problems with this program, Mr. Speaker, was that it was structured inefficiently and created a burgeoning bureaucracy rather than helping those it was intended to aid.

A proposal that includes tax credit incentives for first-time home buyers has been an effective program in other Canadian jurisdictions as well as in the United States. The stimulation of home ownership through the mortgage interest deduction and capital gains exemption is sound economic policy. The economic stimulus of tax benefits is multiplied by the equity growth created through home appreciation. Various provincial jurisdictions offer programs that aid their constituents with the purchase of a home through tax incentives and benefits.

The Ontario government offers the Ontario home ownership savings plan, which provides a refundable tax credit to help lower income individuals and couples save towards the purchase of a first home. Persons with a net income of less than \$40,000 and couples with a combined net income of less than \$80,000 can benefit from this program. When an individual or couple files an annual federal income tax return, a claim for an Ontario home ownership savings program tax credit of up to \$500 per person or \$1,000 per couple may be made. This tax credit is based on net income for the year and the amount deposited into the plan during that year.

Mr. Speaker, British Columbia offers a property transfer tax exemption for first-time home buyers. The property transfer tax credit is calculated at a rate of 1 percent on the first \$200,000 of the fair market value and 2 percent on any value over \$200,000. For example, in a \$250,000 house in Victoria a first-time home buyer would have a property transfer tax exemption of \$3,000.

The previous two examples given from British Columbia and Ontario demonstrate those governments' commitment to providing their citizens with an incentive for home ownership. With the rising costs facing many of our younger Albertans, it is vital that we help create an environment that promotes home ownership. Motion 503 speaks to that goal, and I urge my colleagues to support this motion. Thank you.

The Deputy Speaker: The hon. Member for Edmonton-Ellerslie.

**Ms Carlson:** Thank you, Mr. Speaker. It's nice to see that the backbench likes to be a tax-and-spend kind of organization. They're sounding very Liberal, which is not the first time today that we heard private members who support this government sounding very Liberal. I have to say: that pleases me to no end.

The one program that the member forgot to talk about is the one that was in the mid-60s that was also available – and I believe that would have been with the Social Credit government – where homeowners could receive a grant. Of course, houses were a lot less then, and I think the average grant was about \$500.

**Mr. McClelland:** Five hundred dollars. You could buy a house. I was there.

Ms Carlson: Five hundred dollars. You see? There's another taxand-spend member that would like to participate in debate and tell us how this government can help people at the ground level, which we've been saying for a long time. I tell you: this is shaping up to be a pretty fun week. I can hardly wait to see what else they talk about. We may see them actually enter into debate on substantive bills, and wouldn't that be a change, Mr. Speaker?

Anyway, I have to say that I'm completely in support of what this member has to say. Now I know that nobody will vote for it – and I'm sorry for that – because we can see the moaning and groaning. You guys can just pretend to be tightfisted with your money in helping out people. Just for once close your eyes and tax and spend away openly instead of behind closed doors and by regulations, which is how it usually happens.

I urge everyone in this Assembly to support this motion.

The Deputy Speaker: The hon. Member for St. Albert.

Mrs. O'Neill: Thank you, Mr. Speaker. Motion 503 calls on the government to establish a financial incentive program that aids first-time home buyers in the purchase of their first home. The Member for Calgary-McCall has introduced this motion, and I feel that we should all support it because it is not something that will tax others but will give an incentive for first-time home buyers to enable them to get into the market of being homeowners.

Alberta has experienced phenomenal growth over the past decade. With this growth, the province has also experienced a dramatic rise in real estate values, with prices of homes escalating each year. While prosperity and economic growth is good for the overall health of the province, it has created a problem for first-time home buyers trying to find an affordable residence. I'd like to just draw on my experience. Just prior to being elected to the Legislature, I did sell residential real estate, and I can tell you that the greatest desire

among young couples, young people is to be able to purchase their own home so that they can stop putting money into rent that is not going to build equity for them. But many of them are in circumstances where they have to pay rent, and at the same time there isn't additional help from us, who could give it without it being a drain on other parts of our economy and our resources. They just could do that in order to establish themselves and in order to enhance the economic growth of this province.

#### 8:20

This motion will lay the groundwork for strengthening community development across the province. It has been shown that home ownership increases the wealth and the stability of the family unit, thereby decreasing dependence on government programs such as welfare, pension plans, and various other social services.

The Alberta government has long been a proponent of lowering personal income taxes. That we have talked about, and that we have done. This motion sets in place the groundwork for using interest payments paid against a mortgage as a tax credit for the homeowner. As the mover of the motion has indicated, there are certain programs, one in Ontario and one in British Columbia, that really do assist first-time home buyers, and I think this is an excellent opportunity for us to join that.

Motion 503 complements the mandate of the government to make Alberta the lowest tax province in the country. The rising costs of home ownership in the province exclude many potential home buyers immediately from buying a home, and then they find themselves, I know, in circumstances where they are paying out rent so they can't put aside the money or can't get a tax credit in order save money to buy their first home. It's a very difficult treadmill, perhaps I'd call it, to be on.

Albertans as well as all Canadians interested in purchasing their first home benefit under the provisions of CMHC, a program that is nationwide albeit a program that does require \$2,000-plus in order to purchase the insurance on it. Again, that's a bit of a setback whereas the proposal that is here in Motion 503 suggests perhaps a tax incentive or another way that wouldn't require more money upfront. By adding another financial incentive to the CMHC first-time home buyer program such as tax credits against interest paid on a home mortgage, Albertans could see the added economic and social benefits to purchasing their first home.

There should be minimal negative impact to any segment of the population with the proposed motion, and that's what is so I'll say nice about this motion, that it doesn't rob Peter to benefit Paul. In that sense, it would have minimal impact. In fact, I think it would be one of those what I call enablers of the economy, particularly for the segment of first-time home buyers as is stated in the motion.

With the huge influx of in-migration to the province of Alberta rental properties are unable to keep pace with the burgeoning population. That's true, I know, in the capital city of Edmonton. It's certainly and absolutely true in my community of St. Albert and, I understand, in the city of Calgary, and I know of other parts of the province. Housing starts have been at a record pace. For example, Calgary's single-family starts are 25 percent higher than in 2001. But many lower income families are still unable to afford reasonable accommodation, particularly that kind of accommodation which means an investment, their own investment in their own property.

With the benefit of a financial incentive such as tax credits added to the CMHC program, Alberta could see an even larger personal investment in real estate, and I'd like to stress the word "investment" because this is indeed an investment not only for the family, but it is a strengthening for the province's economy as well. It's also an opportunity for individuals to feel that they are building their future

as they build the province's future. With the economic boom over the past decade and the cost of living in many parts of Alberta having risen quite dramatically, particularly in the sector of real estate, residential housing, as I mentioned, Motion 503 could provide relief to many of those who are unable to afford housing in their current situation.

In closing, I would just like to comment on the fact, too, that in many, many instances when people look to invest, they look to invest in order for them to create some more security in their lives and more stability in their lives. That, I believe, is the strength of this particular motion. It speaks to the opportunity, the enabling by us in this Legislature to pass a motion to encourage us to put in a tax incentive that indeed is truly saving money in order to invest in family, life, and the future.

So I would encourage everybody in this Assembly to vote in support of Motion 503. It makes sense. It makes sense for the first-time home buyer, it makes sense for the economy, and I think it makes sense in responding to what families and young people want, and that is stability and investment in their lives. Thank you.

**The Deputy Speaker:** The hon. Member for Clover Bar-Fort Saskatchewan.

Mr. Lougheed: Thank you, Mr. Speaker. I'm pleased to join in this debate on Motion 503, sponsored by the Member for Calgary-McCall. A financial incentive program that aids first-time homeowners seems like a good idea, at least at first glance, but I think the reality is that people can successfully qualify for home ownership after moving through that home-buying process without direct intervention from this government. As we all know, Alberta's economy is very heated currently. It's driven up the cost of housing. Another government program could help more Albertans move out of rented units and into homes of their own, but I think there are some problems with Motion 503 that seem to go against the policies of this government and perhaps even work against some people wishing to buy a home.

First of all, Mr. Speaker, I believe that the market should establish eligibility for home ownership and not a government program. I also wonder if any consideration has been given to the possibility of house prices increasing due to the increased demand for homes brought on by this Motion 503. The financial incentive created by this government would likely increase the price of homes. A dramatic increase in the number of customers surely would create more demand for homes, and following supply and demand we know that would lead to higher prices. Therefore, Mr. Speaker, Motion 503 could actually backfire and create an artificial additional upward pressure in Alberta's housing market. I don't believe this is appropriate.

I realize there are federal/provincial partnerships that provide housing for low-income and special-needs people. There's already some good work being done between the federal and provincial governments to help low-income and special-needs people afford homes. Mr. Speaker, I believe that there should be no extra funding to expand these programs, and Motion 503 goes a little bit further and may upset the market forces that drive real estate.

As the hon. Member for Calgary-McCall pointed out, establishing a financial incentive program for people looking to buy a home is not a new idea in Alberta. There have been several instances where the government of the day believed government intervention was necessary to provide opportunities for people to buy homes, Mr. Speaker, but none of these programs is operating anymore, and the reason is that real estate issues need to be settled in the real estate market. We've heard a great deal about the federal government's

Mortgage and Housing Corporation financing and how the public program has assisted thousands of families. We must remember that real estate, though, is a private industry driven by competition. Banks, real estate agents, and most potential homeowners know that they must ask very important questions before they get too far into the home-buying process. The most important issue they must address is to ensure that they're able to handle the responsibility of the finances of owning a home.

I'd agree that there are many barriers that prevent families from buying a home. Mortgage payments are often more expensive than renting. Owners must also assume responsibility for maintenance and upgrading appliances or any renovations that may occur. Houses often appreciate slowly in value, and the benefits of home ownership only occur usually after several years, once a substantial amount of equity has been accumulated. My point is that the decision for buying a home should be left up to the individual, and a financial incentive provided by this government may encourage people to buy homes when they aren't prepared to qualify. There could then be a resulting increase in the number of personal bankruptcies and defaulted mortgages.

#### 8:30

The Alberta government used to be involved in helping families buy affordable housing, but that was quite a while ago, and priorities have shifted substantially since the '70s and '80s. Right now Albertans are concerned about health care reform, rising expectations for education, and financing new capital projects. The funding needed for any proposed financial incentive must come from other key areas of this government. I can't justify taking funding away from other government goals when there is not a significant crisis in the housing market.

Mr. Speaker, I'd assume that the members in this Assembly are aware, as are all Albertans, that Albertans are experiencing a housing boom. That boom means that things are going well. I see no reason for the government to meddle in the affairs of the housing market. I haven't heard any public outcry in my area regarding this issue. There have been no indications that there's a housing shortage or lack of buyers that could be rectified by this kind of program. This Assembly should therefore focus on the allocation of public funds to areas that need improving.

The housing market may be concerned if Albertans weren't buying homes because the labour market was shaky, the economy was unstable, or perhaps interest rates were too high. Alberta's labour market is the best in the country. The economic activity is the envy of the rest of Canada, and the interest rates are relatively affordable. These are some of the conditions that have created a successful housing market in Alberta. A housing boom contributes substantially to the economic health of the middle class of the province. An accumulation of a substantial net worth through a lifetime of home ownership means retirees are less dependent on social security and retirement programs as a source of income in their retirement years. But neither of these actions justifies the need for another financial incentive program for potential home buyers. People should consider buying a home only when they've achieved reasonable employment and financial stability. I think the role of this government is to set up a framework that encourages economic growth, and that in turn raises the standard of living for all Albertans.

Motion 503, I think, artificially inflates the number of potential home buyers. The housing market continues to flourish in Alberta without direct intervention from this government. Potential homeowners can access affordable mortgages through the federal government and the private sector, and I think the situation should stay that way.

Mr. Speaker, I don't believe that government intervention, which may take resources away from other programs, is an appropriate way to go, and therefore I cannot support Motion 503. Thank you.

**The Deputy Speaker:** The hon. Member for Drayton Valley-Calmar.

**Rev. Abbott:** Thank you very much, Mr. Speaker. It is with great pleasure that I rise today to speak in support of Motion 503, the first-time home buyers program. I would like to take the opportunity to commend the MLA for Calgary-McCall for bringing this issue to the foreground for discussion and debate. It is a valuable motion, one that has many benefits not just for the home buyer but also for the entire community and, therefore, a motion that I support.

The purpose of Motion 503 is to introduce a financial incentive program to encourage and assist first-time home buyers in purchasing a home. Mr. Speaker, shelter is a basic need that should be accessible to citizens across the province. Furthermore, the dream of home ownership is a fundamental premise and goal that Albertans strive to achieve. However, the rising cost of home ownership in our province may now exclude many potential home buyers from purchasing their first home. The establishment of this incentive program attempts to offset the complications and difficulties of buying a home while compensating for the uncertainties in the housing sector in Alberta.

Housing conditions in our province have changed dramatically. Alberta has experienced incredible growth – incredible growth – over the last 10 years. Our province has seen an influx of individuals moving to Alberta not only from across the nation but from international destinations as well. There are more individuals moving here than to any other province in Canada. In fact, Alberta received a net gain of just under 120,000 people between 1996 and 2001

## An Hon. Member: How many?

**Rev. Abbott:** One hundred and twenty thousand. This increase was more than double Ontario's, the second place province.

Mr. Speaker, with this migration of people to Alberta our province is also experiencing a boom in the construction sector. Over the past six to seven years there has been a steady increase in the construction of housing. This boom, of course, is being fed by a heightened demand for housing. This demand is predicted to increase 61 percent between 1998 and 2028.

Mr. Speaker, with the demand for housing so high our province is currently experiencing a rise in real estate value. Over 2001 the cost percentage increase per home varied from 5 to 13 percent across the province. An average-priced home in Fort McMurray, for example, will cost Albertans just under \$250,000. Calgarians can expect to pay over \$200,000 for a modest home while it will cost Edmontonians just under \$200,000 for their home. Now, I acknowledge that housing costs in Alberta are reasonable when compared to other urban centres across the country, but the alarming fact is that the steady rate of increase in costs is not expected to level off anytime in the near future.

Mr. Speaker, I would now like to shift my focus and spend some time highlighting the financial rewards that arise from home ownership. Buying a home is a major life decision that is a dream for many Alberta families. Purchasing a house is also the biggest financial investment that most people make in their lifetime. So buying right and having the ability to purchase is important to home buyers. Now, there are many financial benefits from home ownership. These range from the tax breaks that accrue from the increased

value in your investment – in other words, there's no tax charged on the capital gains if you were to sell your home as long as you buy another one

Home ownership is a first-rate investment, and it should be encouraged. The current rise in housing prices makes home ownership an attractive way to invest money. Real estate values have been steadily rising as the stock markets have been declining. If Albertans purchase a home today for \$200,000 and housing prices rise 10 percent over the next year, then that house will have a new value of \$220,000. The initial investment has built up \$20,000 of tax-free home equity.

Now, buying a house can also stop inflation. Albertans purchasing a home today will freeze the rising costs of construction tomorrow. It also increases your savings. Mortgage payments help contribute to an individual's net worth. A portion of the money an individual pays goes toward building equity. It's not just all going out to rent, as the hon. Member for St. Albert mentioned.

Purchasing a home is a solid investment. Incentives and assistance should be made available to Albertans wanting to buy a home. Now, these programs could ease the difficulties, making the process less complicated and more affordable. Owning a home is considered a sign of success, and it does provide great emotional rewards for many homeowners. It allows the opportunity to improve an investment by upgrading the home. Encouraging and increasing home ownership will let Albertans obtain a return on the money they invest as well as money borrowed.

So, Mr. Speaker, I strongly support this initiative because of the possible financial rewards. Therefore, I encourage all of my colleagues, even my colleague from Vermillion-Lloydminster, to vote in favour of Motion 503 and a potential first-time home buyers program.

Thank you, Mr. Speaker.

8:4

**The Deputy Speaker:** The hon. Member for Edmonton-Castle Downs.

Mr. Lukaszuk: Thank you very much, Mr. Speaker. I rise this evening to participate in the debate in support of Motion 503, the first-time home buyer program. Indeed, this incentive program will not only affect possible first-time home buyers, but it will have a farreaching implication for communities across the province. Granted, I acknowledge that there are already programs in place to assist those purchasing a home. However, with increasing housing costs across Alberta, this incentive program would provide another benefit to encourage first-time home buyers.

I would like to spend some time addressing the benefits that stem from home ownership. Owning a home can bring a personal satisfaction that comes from having roots and a sense of belonging in the community. Owning a home brings many benefits along with some new responsibilities. Fostering home ownership or providing incentives to purchase a home would aid in reinforcing community development. Motion 503 would provide the foundation for strengthening communities across our province. A homeowner has a feeling of belonging in the community as well as a sense of personal security. Owning a home provides a peaceful sense of assurance. Possessing and taking care of a home gives a family the feeling of roots, stability, Mr. Speaker, and security. With every flower bulb planted and every coat of paint on the wall, the home becomes more valuable and individual, and it is an investment.

Home ownership contributes to social harmony and family stability as well. Several studies suggest that home ownership is positively linked to the stability of the family, residential satisfaction, and neighbourhood security. Almost half of homeowners stay put for eight or more years. "How long?" you may ask. Eight or more years. By living in one place for an extended period of time, children are more likely to be raised in a stable environment. Advantages of this consistency include a constant educational experience, the ability to form long-term relationships, and the child's overall emotional security.

Owning a home brings great pride to Albertans. A home is more than just walls and a roof. It is a reflection of character. It is filled with memories and traditions that get built over time. Take a moment, Mr. Speaker, to think about the houses on your street or the neighbouring farm or acreage. These are more than just houses. They are a representation of the hard work and dedication that individuals put into them. They portray pride and honour.

The government needs to extend its commitment to citizens regarding affordable housing. The first-time home buyer program, Mr. Speaker, is a step in the right direction. The long-term benefit of home ownership will profit all communities across the province by instilling stability and security. Many lower income families are still unable to afford reasonable housing. With the assistance of tax incentives, taken with the existing federal programs, these individuals may be able to buy a home and receive personal investment in their real estate. Expanding home ownership to lower income families is seen as a way to contribute to community improvement as well as an individual's satisfaction. The first-time buyer program would allow home ownership to be more accessible to these individuals.

Motion 503, Mr. Speaker, could lead to an even larger personal investment in real estate in Alberta. Even when individuals rent, they pay a mortgage, their landlord's mortgage. It makes sense for individuals to contribute to their own mortgage instead of throwing money away in rent. However, individuals have to be able to overcome the initial hurdles in order to invest in a new home.

Alberta has been experiencing accelerated growth. While this prosperity and economic growth is favourable for the overall health of the province, it has a dramatic impact on the housing sector.

Mr. Speaker, any first-time home buyers program could provide relief to those who are unable to afford housing. This growth in home ownership would enhance community development and decrease the dependency of families. A home is a symbol of independence, both spiritual and physical. An Albertan's pride and joy is their home, and these provide the joy that underpins pride in our communities, our cities, and our province. In order to maintain a high level of home ownership in Alberta, sustaining housing affordability is crucial. The challenge for the government is to ensure that affordable, reasonable housing is within the reach of the citizens of this province.

Mr. Speaker, Motion 503 hopes to encourage homeowners with an incentive program for first-time buyers. This program would provide assistance, making it possible for Albertans to purchase a home who may have otherwise abandoned home ownership. With this incentive come many benefits not only for the individual homeowner but for the surrounding community as well.

I commend the MLA for Calgary-McCall for bringing this issue forward. I support this initiative, and I urge all colleagues to vote in favour of Motion 503 and a possible first-time home buyer program. Thank you, Mr. Speaker.

The Deputy Speaker: The hon. Member for Vermilion-Lloydminster.

**Mr. Snelgrove:** Thank you, Mr. Speaker. While I wipe a sentimental tear from my eye and try and think about all the wonderful things

that come with home ownership, I'll tell you that what can come with home ownership is a debt that you can't afford, taxes that you can't afford, a job that disappears, and a mortgage you can't afford. What a wonderful spot we'd be in if we've talked these wonderful, young, impressionable people into a home they can't afford. If you could go back in history and find one good thing that government does by helping people do things they shouldn't do, I'd be curious to know

So we want to go down this path of going back into business, because, as the hon. Member for Clover Bar-Fort Saskatchewan said, buying a house, borrowing money is a business. It's a business, as simple as that. It's wonderful to suggest that somehow some department of government could come up with a plan that would recognize the need, then, and pick the winners and losers again to decide who should get a new house and who shouldn't. Not a concern about: will they have a job five years down the road, will their job move to McMurray, and what'll they do with their house? Well, let's sell it. Then be a first home buyer in Fort McMurray again? No.

Now, we get these good ideas in government, and what we should do is carefully sit down and think about it. Who is the best to decide when you buy a house? Hopefully, if you're in a family situation, you may rent for a while. You'll prove you can save a little money, put it in the bank, let it build, determine what you can afford to do and determine what would happen if you do lose a job. So you build a little bit of history into your credit. After a while, when you have a little bit of money to put down and you've got a history of employment that a bank would accept, then you go in and borrow the money in a straight-up market situation with no government incentive or offer at all. That's how it should be. For us to suggest that somehow we could help these people out by giving them a tax break or giving them a little break on interest just gets us back down a road that we should never think of going down.

So with that, Mr. Speaker, I would like just to encourage people to think very carefully about starting once again to get in business, pick winners and losers, spend taxpayers' money on helping people to buy a house. Quite honestly, it's a very noble idea, and I commend the hon. member who brought it in for having a wish. But a wish is all it is, and once upon a time shouldn't be in the bills in this House.

Thank you.

The Deputy Speaker: The hon. Member for Calgary-Currie.

**Mr. Lord:** Thank you, Mr. Speaker. It's my pleasure to rise tonight to speak in favour of Motion 503. I recognize that my hon. colleague opposite has brought up some very good points; however, I do think on balance that . . .

**An Hon. Member:** He's not opposite. He's on your side. *8:50* 

**Mr. Lord:** Yes. I realize that, but I do disagree with him on a few points here.

I do think that this motion, on balance, has more benefits than not. Mr. Speaker, the motion calls, really, for the government to establish a financial incentive program that will aid home buyers in the purchase of their first home, and of course we all can think back and remember what position we were in when we first bought our very first home. I don't know about everyone in the Assembly, but I can certainly say that in my case it was a very big purchase. In fact, I had to borrow money on my credit cards at a very high rate of interest in order to come up with the full down payment, and it was

years of struggle to pay those high interest rates and to get that house. However, it turned into a great investment for me and helped me much later in life in a number of other ways, and I would not have had that advantage of the increase in real estate value if I had not been able to come up with the down payment. As a matter of fact, I used that technique several times to acquire houses and in fact made quite a bit of money from it that I wouldn't have made otherwise if I had not been able to buy a house with very little money down

I wasn't sure when I first bought the house whether or not I would like being a homeowner. I was thinking, you know, that it would be hard. You have to mow the lawn and all sorts of things, but in fact it turned out that I enjoyed that. In fact, most people who buy their house and now are owners of the home instead of being renters in an apartment suddenly take a great interest in their property. In fact, you start doing the little things to fix the house up and make it nicer, and in aggregate, when a lot of people are doing this in a community, frankly, it adds a lot to the stability of every community. Every community, in fact, would benefit from having more home owners than just renters. Nothing against renters, but it's just that there is more incentive to take care of your property, fix it up, and so on. So it creates more stable communities.

There are just so many benefits of more stable communities that I don't think we even have time to get into them all tonight, Mr. Speaker. In terms of less policing, more stable communities result in everyone knowing everyone else, increase what they call social capital within a community, which is just as important as developing economic capital. Social capital refers to trust and relationships with your neighbours and with other people. Frankly, with strong social capital, economic capital is generated much faster because you don't have to worry so much about, you know, having to have lawyers and everything else because you trust people. So stable communities not only improve quality of life dramatically; they lead to less crime, less policing, greater growth of economic capital. There's just numerous, numerous benefits to encouraging home ownership.

Of course, in this day and age we're hearing a lot about struggling students at university with high loans and payments that they may take years and years to have to pay off. Well, it's very discouraging for those people to even think about trying to own a home in their 20s, and in fact many of them probably will not even be able to own a home in their 30s, and that's the age when many of them have young families and so on. So when you start thinking about the difficulties there for these people, clearly it would be beneficial to encourage particularly people with young families to be living in a home in stable communities. So those are just a few of the points that I could raise on that point, Mr. Speaker.

Now, the motion also sets in place groundwork for using interest payments paid and deducting mortgage interest against your taxes. Well, this is quite common, actually, in many parts of the world. It's my understanding that it's allowed in the United States, and if you look at the productivity and the economic growth and capital in the United States - in fact, it's been listed as one of the major factors in the United States, that people can deduct their mortgage interest payments from their taxes, which Canadians have never been able to enjoy. If it sets in place the groundwork to look at that, basically it would encourage people to invest in their homes, to save money in their homes and build up equity as opposed to just staying in rental apartments and never having that advantage.

So we'd be encouraging our populace, in fact, to start building equity, which is going to be very important as they get older and in their old age. We have RRSPs and whatnot, but really when you compare the savings rates of Canadians to many other people in the world, we as a nation do not save a lot of money, and there is a very

big concern that we are not saving enough money in our nation for all of us to get by in our old age. So home ownership is for most people one of their greatest investments of their lifetime and the source of much of their equity which will be needed in their older age.

Mr. Speaker, of course, we've heard from many of my colleagues this evening about the rising costs of home ownership and how much trouble this is causing for homeowners in Alberta. In fact, I am pleased to be working with one of my colleagues on a secondary suite housing committee concept right now which is going to go out and consult with Albertans. We have looked at the idea of encouraging secondary suite development in new subdivisions and new houses specifically to help young people who are maybe buying a new house and can't quite afford the mortgage payments to consider taking in a tenant, perhaps in the basement in a rental suite, which would then help them with their mortgages, help them to afford this new house and create a supply of affordable housing at the same time. So if you have a situation like that, that would also create an incentive program to aid first-time home buyers and at the same time would create another important stock of affordable housing, which we desperately need in this province right now.

I do not see, Mr. Speaker, that there are any major negative impacts that the proposed motion would foster. I don't see any negative impacts at all really to the idea of encouraging people to buy houses. The more houses that people buy, the more houses that developers can sell, and in fact that creates jobs for carpenters, plumbers, electricians – you name it – right across the board. So a lot of economic development, job creation, and all those people pay taxes. In fact, they'd be paying taxes on income they would not have had had it not been for all this new supply of houses being sold to these young people through a program like this. It would be my guess, because I haven't done such a study, that if you added up all those extra taxes generated, it really begs the question of whether or not this would be a net negative or a net plus in fact to the taxpayer.

In fact, when you get into the multiplier effects of that additional money being generated in the economy and start going through all the multiplier effects and so on, my guess is it would be a huge economic generator in this province to make a small investment in helping people buy new houses that otherwise would not be buying those houses. So I suspect that far from being something we should fear about the government getting into the business of business again, I guess I would believe that it's more likely that we'd create tremendous economic benefits right across the province from doing this, and the net effect to the taxpayer would be, in fact, that the government would have lots more taxes and could maybe even look at lowering taxes as opposed to having to raise them.

As I mentioned earlier, Mr. Speaker, this evening I talked about the influx of immigration to the province of Alberta and how all those people, of course, coming to Alberta is impacting housing. We would attract younger people to come to Alberta earlier in their careers. Never mind all the other wonderful impacts that has in terms of the talent they bring with them and the creativity and everything else; these people moving to Alberta earlier in their careers because they could afford a house in Alberta with a lower down payment as opposed to what it might cost them in other provinces where they aren't earning as much money and the down payment would be higher - well, when you add up the longer career of these people moving to Alberta, the taxes they would generate in Alberta instead of some other province, the GDP that they would be increasing as a result of their entire careers and their entire wages being paid in Alberta instead of some other province, I think the effects of that could be absolutely astronomical.

I did talk about \$350 billion earlier as being a number that I had

estimated the value of people moving to Alberta would contribute. [Mr. Lord's speaking time expired] Thank you, Mr. Speaker.

**The Deputy Speaker:** I hesitate to interrupt the hon. Member for Calgary-Currie, but the time limit for consideration of this item of business on this day has concluded.

9:00head: Government Bills and Orders head: Second Reading

## Bill 21 Ombudsman Amendment Act, 2003

The Deputy Speaker: The hon. Member for Bonnyville-Cold Lake.

Mr. Ducharme: Thank you, Mr. Speaker. I am very pleased to rise this evening to speak to Bill 21, the Ombudsman Amendment Act, 2003. Alberta has had an Ombudsman since 1967, and the Alberta office of the Ombudsman was the first of its kind in Canada. As many members know, the role of Alberta's Ombudsman is to act as a kind of watchdog over the workings of the government administration. He is completely independent of the government and the Legislative Assembly and has broad powers to investigate complaints about administrative actions, decisions, policies, and procedures. As an independent officer of the Legislature the Ombudsman makes sure that the administrative practices and services of public bodies are fair, reasonable, appropriate, and equitable.

In addition to his investigative powers, the Ombudsman can make recommendations about how to improve the way government works. He provides annual reports to the Legislative Assembly, and in certain circumstances he can also issue other reports if it is in the public interest to do so. These powers ensure that Albertans have yet another way to subject government departments and agencies to public scrutiny and review.

I'll now take a moment to go through some of the amendments included in Bill 21. First, you may notice, Mr. Speaker, that a number of the changes are purely housekeeping amendments. For instance, over the years some practical problems have arisen when three different acts dealing with professions each amended the same sections of the Ombudsman Act. Because those acts weren't proclaimed in the order that was expected, the amendments didn't work properly, and certain sections of the Ombudsman Act did not read the way they were intended to read. Bill 21 fixes those problems. Similarly, the bill clarifies some definitions and cleans up some of the drafting language. These housekeeping changes do not change the intent or meaning of the provisions of the act as they are now.

The bill also includes a technical amendment that deals with financing of the Ombudsman's operations. This amendment addresses a timing issue and allows a special warrant to be signed to provide funds to the Ombudsman's office for a fiscal year before that fiscal year actually begins. This is the current practice for government departments. Without this amendment the special warrant for the office of the Ombudsman can't be signed until the first day of the fiscal year, and this causes unnecessary administrative delays in funding.

Another amendment will clear up an oversight in the act so that the Ombudsman will be able to consult with the heads of agencies in the same way he can currently consult with government departments.

Finally, Bill 21 adds a provision to the act that clarifies that the Ombudsman when conducting an investigation under the act is not subject to the provisions of the Health Information Act. This will allow the Ombudsman to access all of the information he needs to do

his job without restriction. It should be noted, though, that in no way does this mean that the Ombudsman can interfere in the health commissioner's role and duties as legislated in the Health Information Act.

Mr. Speaker, I'll now move on to the more substantive amendments included in Bill 21. The term "agency" has been amended by this bill. This amendment could ultimately result in the broadening of the Ombudsman's jurisdiction. Generally speaking, the Ombudsman investigates the administrative decisions, recommendations, actions, and omissions of governmental departments and agencies. Right now the definition of "agency" is limited to bodies listed by name in the act itself. Amending this definition will allow it to be updated so that the Ombudsman can be given jurisdiction over provincial agencies that perform responsibilities delegated to them by the government as those agencies are created. By allowing the jurisdiction of the Ombudsman to keep pace with the changing face of government, this amendment will ensure that the Ombudsman remains an effective watchdog of administrative fairness in government.

Bill 21 will also expand the Ombudsman's jurisdiction in another way. Under this amendment the Ombudsman will be able to review the concerns resolution processes put in place by regional health authorities, the Alberta Cancer Board, and the Alberta Mental Health Board. Once these concerns resolution processes are formally established, Albertans will be able to engage the services of the Ombudsman if they feel that the processes were not properly administered.

Mr. Speaker, when a complaint is brought forward, it is essential that the Ombudsman be able to review the matter thoroughly and without unnecessary limitation. This is the reason behind the next couple of amendments I'd like to discuss.

The first is a procedural amendment that allows the Ombudsman to treat a written complaint that he receives from an Albertan as consent to release that Albertan's information for the purposes of the Ombudsman's investigation. Basically, this amendment does away with the need for the Ombudsman to get two written documents from the complainant: first, the initial complaint and then a subsequent consent to release. This will save time and allow the Ombudsman to initiate his investigation as soon as he receives a complaint.

Another closely related amendment allows the Ombudsman to access all information relating to the complaint he is investigating. Right now some legislation restricts his ability to access information such that he can only obtain information that specifically contains the name of the complainant in it. With the amendments in Bill 21, however, the Ombudsman's ability to access information will not be fettered. The end result will be that the Ombudsman will have the legislative authority to acquire all the information he needs in order to fully investigate complaints.

The last amendment that I want to address, Mr. Speaker, is one that deals with the implementation of the Ombudsman's recommendations. The office of the Ombudsman is a complaint mechanism of last resort. This means that the Ombudsman cannot become involved until all formal and informal appeals have been completed by the individual who has a complaint. For instance, many Alberta government departments, boards, agencies, and commissions have internal appeal processes available to resolve complaints. If an individual has completed all available appeals and remains dissatisfied with either the fairness of the process or the outcome, the individual can then turn to the Ombudsman. Right now if the Ombudsman finds that a person was not treated fairly, he can recommend that the matter be reheard.

However, in some circumstances a department, tribunal, or agency is prevented by its own legislation from implementing the Ombuds-

man's recommendation even if it wants to. Bill 21 solves this problem by allowing a department, tribunal, or agency to accept the Ombudsman's recommendation and implement it. This means that they can reconsider or rehear a matter if they choose to do so. Given that the Ombudsman's review is really a test of whether a body has acted fairly and with due process, it is logical that upon a recommendation by the Ombudsman that body should have the ability to implement the recommendation if it chooses to do so.

Through the powers vested in him by the act, the Ombudsman is able to provide government bodies and agencies with an independent review of their administrative practices and procedures. This kind of scrutiny ultimately benefits all Albertans by building public confidence and trust in the workings of government. I am confident, Mr. Speaker, that these amendments to the Ombudsman Act will go a long way to help Albertans maintain confidence in the way their government is administered. I, therefore, urge all the members in this Assembly to support Bill 21.

Thank you, Mr. Speaker.

The Deputy Speaker: The hon. Member for Edmonton-Ellerslie.

**Ms Carlson:** Thank you, Mr. Speaker. Happy to speak to Bill 21, the Ombudsman Amendment Act, 2003. We appreciate the briefing that we got on this bill, and it looks like we will be supporting it, but we do have some questions.

[Mr. Lougheed in the chair]

It updates the Ombudsman Act to include certain recommendations that have been continually advocated by the Ombudsman. Of course, that's good. It also includes more organizations, some professional organizations, which is also good, we think – but we've got a few questions – and then some authority to investigate the complaints with the RHAs. So, of course, some questions around that too.

I'd like to put the questions on the record at second reading so that, hopefully, they get addressed when we're in committee, which will give us a better framework for deciding whether we need to bring in any amendments.

A big question for us is how the Health Facilities Review Committee fits into all of what's talked about here with the RHAs. We need to know what the chain of events will be in terms of that committee. Will the Ombudsman be involved at all in matters that are sent to the committee? So if we could have that question answered.

Also, then, we get down to one of the later sections where they're deleting the idea that a complainant must provide written consent before information which is secret or confidential can be used by the Ombudsman. We understand that when a person files a complaint with the Ombudsman, it makes little sense to get a second authorization. It looks like that's going to be okay with us. But then when we go to the one where you make a recommendation after the investigation to have the appropriate authority rehear or reconsider the matter he was investigating, we don't understand exactly what that means. Could we get some definition on that? We need it clarified and some examples as to what giving the Ombudsman such powers will entail.

Just down a little further, in section 9, our concerns are that it gives the department, agency, or the organization the power to reconsider a matter but also gives them the power to "quash, confirm or vary that decision or recommendation" that the Ombudsman makes. Now, this concerns us quite a bit. It seems to make the section quite ineffective if the body is given the option to comply or not comply with the recommendation. So the justification for doing that would be, I think, our concern there.

Then when we talk about section 14, it adds a new section in the act which allows the Lieutenant Governor in Council to "make regulations designating boards, commissions, corporations, offices or other bodies as agencies" that will fall into this act. Now, I think this is our biggest concern here. As we see in other pieces of legislation, it shows that the government wants to move issues out of the Legislative Assembly and into the backdoor regulation process of government, which, of course, we complain loudly about every chance we get and hope that ultimately at some point in time someone will listen and make sure that that manner of dealing with issues stops.

#### 9:10

Other than that, section 15, where the minister has the ability to make regulations regarding patient concerns resolution processes that the Cancer Board provides, gives the minister some power over approving the process. Our question there is: will this be used to bring a more universal approach to the general process?

So if we could get those questions answered, it looks like we'll be able to approve this when we get into committee. We might have one amendment coming out of it in terms of the regulations, but other than that, it looks good to us.

Thank you very much.

**The Acting Speaker:** The hon. Member for Bonnyville-Cold Lake to close debate.

Mr. Ducharme: Question.

[Motion carried; Bill 21 read a second time]

## Bill 16 Agricultural Dispositions Statutes Amendment Act, 2003

[Adjourned debate March 6: Mrs. McClellan]

The Acting Speaker: The hon. Member for Highwood.

Mr. Tannas: Thank you, Mr. Speaker. I'm compelled to speak tonight on Bill 16, the Agricultural Dispositions Statutes Amendment Act, 2003, primarily because of the intervention last day by the hon. Member for Edmonton-Strathcona. If you read the speech, you'll see that much of it is premised on what is not in the bill, and as someone who represents a significant number of leaseholders in the Highwood constituency, many of whom are third-, fourth-, even fifth- generation ranchers, who've been good stewards of the land, I feel that I need to straighten out the record a little bit.

First and foremost is that Bill 16 does not deal with the issue of compensation, as to whether or not the ranchers receive too much or too little or pay too much or too little on their leases. That will be dealt with in a subsequent bill. So, then, what is Bill 16, and why am I supporting it? There are about five main issues here. The first one: that it continues to recognize the stewardship role of ranchers. It ensures contact by recreational users, people who would use the grazing leased land; reduced liability; new mechanisms for resolving conflict; and new legal remedies.

The first one, then, Mr. Speaker. The government provides these leases – this is recognizing the stewardship role – because grazing is important to the grassland ecosystem of the foothills and Porcupine Hills in my constituency and the sustainability of these public lands. You say: well, gee whiz, they've got a sweetheart deal. Well, maybe they do, but they are obliged to graze no more than 50 percent of the grass that grows there because this is an important watershed area.

They are continuously monitored by rangeland managers from the Department of Sustainable Resource Development who look at that and do not want to have those lands overgrazed in any way or trails made on them that lead to erosion and, therefore, depletion of the importance of the watershed of those areas. These areas in Highwood and in other parts of the province provide excellent water retention. So part of the deal that the rancher has is the expectation that he/she/they will look after the watershed and look after the resource of the native grass.

Over the years, Mr. Speaker, the farmers and ranchers of those leases have provided excellent stewardship. Some years ago we had the declaration of the Whaleback, part of which is in the constituency of Highwood and most of which is in the constituency of Livingstone-MacLeod. The Wilderness Association said that this was pristine land and should be really protected. How interesting. It's the oldest agricultural disposition in the province. It goes back to the late '70s, early '80s that that has been continuously ranched but ranched in a stewardship way that is recognized as being the right way to make sure that that watershed is protected and the native grass there is protected.

The livelihood of agricultural leaseholders is based on their continued access to the land for grazing as well as the long-term protection of the land. Although an agricultural disposition holder must provide reasonable recreation access to the land, the regulations in Bill 16 recognize that there are times when the disposition owner can say no or put conditions on access. That's one of the provisions that I particularly like. It ensures contact by recreation owners to the holder of the disposition, to the rancher, if they want to utilize that grazing land.

The conditions, though, that the rancher may put on are that if it's a fire danger - and if you've got very dry grassland, in the fall and even in the winter when there's no snow, it's a high fire hazard, and vehicles can't go in there, and campfires can't be utilized. Also, when livestock are in some of these areas, you can't have people out there hunting. Some of the ranchers that I know practise a deal whereby they only allow a certain number of hunters on at a time or, if they don't practice that, they advise them and say: "Well, in these two sections there are 15 hunters on this day in that area. The chances of you shooting a deer are slight, but the chances of you shooting another human being are pretty good." Then it might be that the rancher is looked upon as a gatekeeper, but it's a responsible gatekeeper that they would be. If the rancher is not, then the provision of Bill 16 says that there is a process by which that "no, you cannot come on this leased land" can be appealed, and that certainly appeals to me.

The only thing in here is that there's nothing to take into account what it's like to be a rancher in the fall and early winter. It's nothing for them to receive 10, 15, 20 phone calls before 7 o'clock in the morning, and that isn't always the most welcome thing and not only that but to be awakened by the noise of trucks in your yard because there are 10 trucks with their horse trailers and the whole bit all ready to go hunting on the area that you're responsible for. So it ensures contact by recreation users.

The person who wants to walk across the land usually isn't much of a bother. It's the ones that want to use their quads. I know, Mr. Speaker, that you wouldn't allow us to show exhibits in here, but I have a wonderful set of photographs that show you the damage that those quads and four-wheel drives can do on a wet day on rangeland. Of course, those people seem to get some joy out of going up a hill straight up and in lowest gear so that the grass is chewed up, and that's the irresponsible recreation user. So if you have to make a contact with the rancher, then there's a chance for that rancher and

that recreation user to come to some agreement of what conditions they can utilize the leased land on.

Reduced liability is also a feature of Bill 16. This legislation reduces the liability of the leaseholder for the safety of recreation users. If a rancher says, "Yes; on these conditions you can go on my land," and the person somehow is injured because there was a ditch or any kind of impediment to their going over the land, they can sue the leaseholder, and there are some unfortunate situations that have occurred when a plain yes is given. As a result, Bill 16 is addressing an important consideration that goes on with the access. It'll provide clarity and assurance to leaseholders who previously had no clear direction in this area, and that will lead to greater co-operation between the leaseholder and those members of the public who might like to access the land for recreational reasons.

#### 9:20

Bill 16 also contains a new mechanism for resolving conflicts. The legislation then makes a dispute resolution process available to both leaseholder and recreational users where there might be a conflict. That is very much an improvement, and it's certainly a great improvement, as some of these others are, over the former Bill 31. It certainly seems to me to be a wonderful step forward.

Bill 16 also provides a new legal remedy. Prior to this legislation, Mr. Speaker, the rights and duties of all users were somewhat unclear. There was no legal way to deal with recreation users who did not respect the environment, and now a leaseholder will be able to ask a peace officer to intervene, and court action may be taken for those who abuse the land. If court action is taken and a person is convicted, the court can impose a fine of up to \$2,000.

The legislation also allows, Mr. Speaker, the minister to impose a penalty where either the recreation user or the agricultural leaseholder contravenes the legislation, so it's a two-way street. The leaseholders have a good history of stewardship on our land. Under the current legislation the minister has the discretion to cancel a lease if the conditions are not maintained, and this direction continues under Bill 16.

For those reasons, Mr. Speaker, I would support Bill 16 and believe that it's a great improvement over some of the provisions of Bill 31. Thank you.

**The Acting Speaker:** Under Standing Order 29 or to continue debate?

**Dr. Taft:** To speak. I'm to speak to the bill if there are no questions.

**The Acting Speaker:** The hon. Member for Edmonton-Riverview.

**Dr. Taft:** Thank you, Mr. Speaker. I appreciate very much the comments from the Member for Highwood on this particular bill. Generally, I think I tend to agree with him on what he said. As the member described, there are actually three or four purposes to the bill: dispute resolution process for exploration access disputes on leased lands, clarification of the rights and procedures for recreational access on leased lands, some procedures for conflict management, and clarification for access to the land.

[The Deputy Speaker in the chair]

Now, it's interesting. The land that we're discussing here is some of the most beautiful country in Alberta and some of the most beautiful country, I would argue, in the world, the portions of it that I've driven through, the Whaleback region that the Member for Highwood mentioned and the ranch land south of there. I under-

stand there's a total of about 5 million acres of public land leased for grazing to about 5,700 leaseholders, and 5 million acres sounds like a tremendous amount of land. It's about 3 percent of the total land area of Alberta.

This bill has some controversial history to it in the form of other bills, and I think the government has split some of the issues into two or more pieces of legislation. We'll have to wait and see. This is probably relatively uncontroversial compared to what some of the others might be holding or might present in the future.

I think we would all acknowledge the contribution of the ranchers of the lands involved here to the agricultural development and, indeed, to the cultural development of this province. The lands that they are responsible for, that they are stewards for, are trademarks, almost, of this province. I think "stewardship" is in many ways the best word to be used here. These people are very conscious that the lands that they are occupying under these leaseholds are lands that they are stewards for for future generations. Indeed, the fact is that I believe the leases here are relatively long-term leases. I think they're 20-year leases or something like that and that they do encourage people to take a long-term view of the land and to conserve the land that is there. This stewardship helps to keep the grassland ecology in balance. It helps to both sustain the grass and to keep other forms of vegetation from moving into the grasslands. It keeps the bush and potentially the forest from spreading out into the grassland and keeps that interstitial territory between the prairie and the mountains in beautiful condition.

One of my concerns with this bill is the requirements and the potential controls on foot access. Now, I can imagine that access issues are an enormous headache for the leaseholders of these lands, and, as the Member for Highwood described, in the fall when hunters are calling maybe by the dozen early, early in the morning to request permission and when you have to deal with the sometimes genuinely destructive and offensive activities of motorized vehicle operators, quads, and other off-road vehicles, I can see that that's frustrating, irritating, and sometimes exasperating work for these leaseholders. So I think it's probably very wise for us to be looking at ways of controlling access for many people to these lands, but I am concerned about the limits potentially placed on walkers and hikers, people who will do a minimum of damage and undoubtedly are on these lands to celebrate the beauty of the land rather than to rip it up with off-road activities on quads.

I found myself thinking back to the U.K. model for access to lands, which is a very ancient model. The U.K., as people here will know, has a population of over 50 million people in a total area significantly smaller than Alberta. So it's very, very crowded land, and the issues of access to lands are very difficult, but they've been thought through very carefully, and there's a very long historic tradition. I learned about this tradition living in Britain and going on hikes with classes from my sons' schools. We'd go out for rambles through the English countryside, and I discovered soon that walkers in Britain have guaranteed access to the trails in the British lands. It doesn't matter where the trail goes. If it goes through somebody's backyard, across the middle of a field, through a farmyard, or wherever it goes, people have guaranteed access to that trail as long as they stay on the trail.

This leads, of course, sometimes to conflict because farmers, in particular, may not like and appreciate the fact that walkers have guaranteed access to their land. So sometimes you'll have a farmer placing a couple of fairly aggressive bulls in a field and doing things like that to discourage walkers. But the walkers are equally determined and have actually organized themselves so that every trail in Britain that has this common law heritage of access is walked every five years at least once, and doing that and recording the fact

that that trail has been walked guarantees that the rights of access continue for at least another five years. These rights go back many, many, many centuries, in fact in some cases prehistorically.

9:30

Now, in Canada we take a much different approach. In some ways it's the mirror image. For in Britain, while there are guaranteed access rights to land, the access to rivers is a completely different thing and the access to streams is a completely different thing. In fact, landowners can for practical purposes prohibit people from using the flowing water, the streams and rivers that go over their property, but they can't prohibit people from going on the land. Here we have it in some ways the other way around. In Canada you can actually canoe down a river or across a lake and you have guaranteed access to that public water, but if you get out of your canoe and walk very far inland, suddenly you're on private property and you're not supposed to trespass. So they're kind of mirror images, reverse images in the two countries.

I can't help wondering in this case or in cases like we're discussing under this bill, Bill 16, if there isn't a way for guaranteeing access to walkers to trails through these lands as long as they stay on the trail and providing them that access without having to go to the leaseholder for permission. Now, perhaps through the course of debate on this bill that issue will be clarified for me and explained to me, but I think we can put walkers in a separate category for regulations and legal issues than, say, people on motorized vehicles or people on horseback, or I suppose these days we even have to worry about people on mountain bikes. But walkers, I think, could be guaranteed access to these lands on trails, and I'd like to consider that, whether that's addressed in regulations perhaps or the legislation. I'll be looking for some discussion and maybe some better information for my sake on that issue as we go through this bill.

Beyond that particular issue this bill at least seems to strike a reasonable set of positions. There are some questions we have around what appear to be some extraordinary powers granted to the minister, if we're understanding this bill properly, to potentially create multiple leases on the same land, something to that effect, so we will need to have some clarification on that as we go through this bill. But as long as the extraordinary powers of the minister to act potentially in unusual or destructive ways, in manners that perhaps contravene the interests of the leaseholders or the various parties to the leases, are contained, I at least will probably support this bill and I imagine that our caucus will also.

So with those comments I'll take my seat and look for other debate. Thank you.

The Deputy Speaker: The hon. Minister of Infrastructure.

Mr. Lund: Thank you, Mr. Speaker. I certainly agree with the hon. member as he was describing the stewardship that leaseholders have exhibited. As we were setting up the special places, it was quite interesting. The folks that seemed to have some problem with letting agriculture have access to this land still nominated areas for special places and acknowledged that the leaseholders for some long period of time had been operating on that land and that it was in just as good shape if not better than they originally found it.

In his comments he commented about the leases being 20 years and seemed to indicate that it was important that it be a long-term lease in order that that management continue, and I'm wondering if the hon. member would be suggesting that the leases be longer than 20 years or that perhaps we have some type of rolling 20 years. That means that at the end of 10 years there'd be an assessment, and if everything is up to snuff, you'd get another 20 years. So you would have that kind of management ahead of you as you go forward.

**Dr. Taft:** I don't make it a practice of answering questions in this situation—I'm happy to do that in committee—but I'm open to those ideas. I don't have a solution here, but I think we need to stay away from really short-term leases, which encourage people just to squeeze everything out of the land in two or three years and be gone.

**The Deputy Speaker:** Further questions or comments? The hon. Member for Spruce Grove-Sturgeon-St Albert.

**Mr. Horner:** Thank you, Mr. Speaker. I was just wondering if the hon. member would answer a question with regard to his travels in Britain and the fact that when he was wandering from one farm to the other farm if at that time they were concerned about the spread of mad cow disease or various other pesticides or those sorts of things.

**Dr. Taft:** I shouldn't have answered even one question. I'm happy to debate that in committee. I think the proper place for these kinds of questions back and forth is committee.

Thank you.

**The Deputy Speaker:** Further questions? Further comments? The hon. Minister of Sustainable Resource Development to conclude debate?

[Motion carried; Bill 16 read a second time]

# Bill 22 Child and Family Services Authorities Amendment Act, 2003

The Deputy Speaker: The hon. Minister of Children's Services.

**Ms Evans:** Thank you, Mr. Speaker. I believe this is very self-explanatory. It's striking out "not more than 11" and substituting "the," the effect of which will enable us to provide sufficient board members to be appropriate for governance of the larger expanded territories of the child and family services authorities.

Moved a second time.

The Deputy Speaker: The hon. Member for Edmonton-Mill Woods.

**Dr. Massey:** Thank you, Mr. Speaker. Just a few brief comments as we look at Bill 22. It's true that it's designed to eliminate the limits on the number of children's authority board members, but I think what it does is raise some questions about the direction we're going in terms of the children's authorities.

We've seen the map of the new boundaries. One of the strengths when the authorities were created was laid out I think fairly clearly by the government. The intention as I understand it from the remarks of the minister and the government publications was to make sure that the services that were delivered were relevant to the community and that they have a strong local flavour, that they could respond to local needs, and it seems to me that as we progressed and, for instance, now that the regions have been changed, I wonder how much of that local authority and input and the creation of situations that meet the particular needs of an area are being eroded. If you look at the map of the authorities, in region 8 I wonder how much the people in Fort Vermilion have in common with people in Grande Prairie. Huge, huge differences in those communities, the kinds of populations that they serve. Similarly, you could ask, for instance, in region 7: how much in common do people in Hinton have with

Athabasca? And you could go on through the regions. The northern ones are particularly large, Mr. Speaker.

9:40

So I think that we should take a serious look at what's happening to that goal of delivering programs that are really responsive to local needs and whether that is still a legitimate goal or whether the government has with the experience with the regions decided that that goal shouldn't play as large a role in the delivery of services as was first envisioned when the regions were created. It's not particular to this bill, although it does allow for the appointment of more members that seemingly could represent more communities. You could make the argument that the change has the possibility of helping local representation, but as we've watched the changes in local communities, it's a worry that their role is being downplayed and that more and more of the decisions are going to be made centrally and then fanned out to local communities.

With that, I would adjourn debate on Bill 22, Mr. Speaker.

[Motion to adjourn debate carried]

# Bill 23 Family Support for Children with Disabilities Act

**The Deputy Speaker:** The hon. Member for Red Deer-North.

Mrs. Jablonski: Thank you, Mr. Speaker. I am pleased to speak to second reading of Bill 23, the Family Support for Children with Disabilities Act. Through the Child Welfare Act review conducted by my very competent colleague from Calgary-Buffalo, Children's Services heard from Albertans that supports for children with disabilities need to be addressed separately from child protection, that supports for children with disabilities should be family focused, and that improved access to information and an integrated service system across government is vital. The Family Support for Children with Disabilities Act will provide separate and distinct legislation to cover services for children with disabilities.

Currently supports for families who have disabled children are provided under the Child Welfare Act. The intent of the current resources for children with disabilities program is to provide support to assist families with some of the extraordinary demands that result directly from their child's disability and to enable families to maintain the child in the family home. The current resources for children with disabilities program is currently perceived and in many ways delivered as a financial benefits program.

In December Children's Services established a ministerial advisory committee and an expert advisory committee to provide recommendations regarding the development of the Family Support for Children with Disabilities Act. Bill 23 reflects recommendations from both of these committees.

The new Family Support for Children with Disabilities Act will change the resources for children with disabilities program. The intent of Bill 23 is to provide a spectrum of proactive, family-centred supports and services to empower families of children with disabilities, preserve and strengthen families as well as prevent these families from experiencing crisis which could potentially result in child protection needs.

The new legislation will clarify eligibility for the resources for children with disabilities program, require service plans to reflect the complex needs of children, refocus programs for children with disabilities on early intervention and family supports as well as promote better service co-ordination across government ministries.

There are three types of service areas identified in the new

legislation: first, information services and service co-ordination; second, family support services focused on the needs of the family; and, third, therapeutic services focused on the needs of the child based on the child's medical diagnosis and assessment of the child's functional needs.

The nature and level of family support services and therapeutic services will be clarified as regulations are developed in consultation with stakeholders. The regulations will also set out expectations for parental cost sharing, taking into consideration the parents' ability to pay to ensure that families aren't put into financial hardship.

Families will continue to have the right to access a formal appeal process. The appeal panel's decisions will be guided by the parameters of legislation. An option for mediation has been included as an alternative dispute resolution mechanism and a less adversarial way to resolve a conflict as an alternative to an appeal.

I support this bill because I know it is based on the principle that a respectful partnership exists for family support services and that this partnership supports parents in meeting their child's needs. Bill 23 is intended to preserve and strengthen the family's capacity to promote their child's healthy growth and development.

Mr. Speaker, I am pleased to move second reading of Bill 23. Thank you.

The Deputy Speaker: The hon. Member for Edmonton-Mill Woods.

**Dr. Massey:** Thank you, Mr. Speaker. I'm pleased to have the opportunity to make some comments about Bill 23, Family Support for Children with Disabilities Act. It's coincidental that Bill 23 bears the same number as article 23 of the Charter of the United Nations, the rights of the child. It was to article 23, which deals with handicapped youngsters, that I turned in terms of looking for principles that might underlie a handicapped children's bill such Bill 23.

I think it's worth just visiting what article 23 of the human rights of the child says. It says:

- 1. States Parties recognize that a mentally or physically disabled child should enjoy a full and decent life, in conditions which ensure dignity, promote self-reliance and facilitate the child's active participation in the community.
- 2. States Parties recognize the right of the disabled child to special care and shall encourage and ensure the extension, subject to available resources, to the eligible child and those responsible for his or her care, of assistance for which application is made and which is appropriate to the child's condition and to the circumstances of the parents or others caring for the child.
- 3. Recognizing the . . . needs of a disabled child, assistance extended in accordance with paragraph 2 of the present article shall be provided free of charge, whenever possible, taking into account the financial resources of the parents or others caring for the child, and shall be designed to ensure that the disabled child has effective access to and receives education, training, health care services, rehabilitation services, preparation for employment and recreation opportunities in a manner conducive to the child's achieving the fullest possible social integration and individual development, including his or her cultural and spiritual development.

I think that article is sort of the measure that I used and that I'll continue to use in judging what we have before us in Bill 23.

I have some questions about Bill 23, Mr. Speaker. I would like and, I guess, appreciate some information in terms of the consultation that the ministry undertook with community agencies and municipalities in terms of the family support services. It's a matter of information that I would appreciate being enlightened on.

I think there are some serious flaws in the legislation. The very first one is that it seems to medicalize disabilities, and it goes back to the era and re-establishes the medical model for dealing with disabilities. I think that putting medical doctors in charge of the diagnosis is a mistake. Certainly, they're one of the professionals that are qualified to do some of the diagnosis, but what is really required is an appropriate, regulated professional, and that's a wide range of professionals, not just medical professionals, Mr. Speaker. I think that if you look at the definition of disabilities, it's extremely narrow, and I think there could be some questions raised as to whether it's compatible with the Charter of Rights and Freedoms. It might be worth looking up that definition and comparing it to the one that we have in the act.

#### 9:50

The act makes a provision for income testing, and as such it is a major departure from the HCS program established by the Lougheed government, and it's diametrically opposed to the philosophy of the government because the aim of the program then was to cover the cost of raising a child with a disability that was above the cost of raising a normal child. I think the separation of family support services and therapeutic services is a step that deserves a second look before we proceed with the passing of the bill. I think there are some serious reservations. We've heard from some stakeholders who are alarmed with what we have before us and, I think, raised some legitimate questions that deserve answers as we go through second reading and move into committee with Bill 23.

With that I would adjourn debate on Bill 23.

[Motion to adjourn debate carried]

## Bill 24 Child Welfare Amendment Act, 2003

The Deputy Speaker: The hon. Member for Calgary-Buffalo.

Mr. Cenaiko: Thank you very much, Mr. Speaker. I'm pleased to rise and speak to second reading of Bill 24, the Child Welfare Amendment Act, 2003. Alberta's Child Welfare Act is a key piece of legislation that provides the foundation for child protective services, adoption services, and services to children with disabilities. It has a profound and direct impact on the lives of thousands of Alberta's children and families. In May of 2001 Alberta Children's Services announced a review of its Child Welfare Act. It had been over 17 years since the legislation underwent a major review and overhaul, so there were many issues that needed to be addressed. I was very honoured when the Minister of Children's Services asked me to lead this review and subsequently introduce this bill in the Legislature.

The Child Welfare Act review team, including myself as chair, consisted of a number of representatives from across the province. Our work began with child welfare research being done provincially, across Canada, and internationally. A discussion guide was created, and in December of 2001 public consultations began and information was requested from Albertans. The process was structured to provide all Albertans with opportunities to share their perspectives and contribute to the production of a balanced piece of legislation. In the past year we traveled across Alberta holding over 140 meetings with stakeholders across the province. Mr. Speaker, we had the opportunity to meet with a wide cross section of people to gain a full perspective on the issues of child welfare. We spoke with youth, parents, frontline workers, aboriginal elders, First Nation communities, Métis and Inuit representatives, foster parents and agencies, child and family service authorities, other ministries, and the general public.

Mr. Speaker, throughout the process both the review team and myself learned a lot about the child welfare system and heard the concerns of Albertans. We received a spectrum of responses and

feedback in over 600 submissions. These submissions reflected the values, principles, and areas of concern for Albertans. Based on the research that was completed internationally and across Canada as well as the submissions and information provided from Albertans, recommendations for legislative changes were developed and presented to the hon. minister in the form of the Strengthening Families, Children and Youth report. This report concluded the Child Welfare Act review process. The minister accepted the report for further review in developing the legislation, and the report was publicly released in December 2002. Recommendations for legislative changes have placed greater emphasis on and accountability for the safety and well-being of children, permanent placements for children, the involvement of children and families in decisionmaking, the importance of respecting all cultures, ethnic backgrounds, and religions, and finally the importance of supporting youth who are in transition to adulthood.

With these areas in mind, I'd like to highlight some of the key legislative changes in Bill 24. In responding to children in need of protective services, it's recommended that families receive services through a new approach called differential response. This approach would make it possible to refer and co-ordinate access to community services for low-risk families and allow high-risk families to continue to receive support through the mandated protective services.

The legislation supports new court processes and time lines that will focus on earlier resolution of problems by further involving families in the decision-making process. This will also involve the development of a concurrent planning process that obtains permanent homes for children at the earliest opportunity. Concurrent planning is the practice of developing two plans for the family at the same time. The first is the preferred plan and focuses on reunification with the child's family, and the second is an alternate permanency plan for the child if the parents do not follow through with their responsibilities.

The proposed legislation will emphasize permanency for children in government care and recognize their developmental needs and how these needs change over time. Specifically, the maximum time a child can remain in government care will be reduced from three years to 15 or 18 months, depending on the age of the child, with an increased focus on children under the age of six years old. Another area involves increasing permanency for children by further supporting families to provide homes through private guardianship for high-needs children who are permanently in government care. The ability to provide supports to these families is an extension of the current service delivery system for families who adopt specialneeds children who are in government care.

It's proposed that "secure treatment" be renamed "secure services" to reflect the importance of a continuum of services being provided to youth who are in danger of harming themselves or others, including confinement for a maximum of 30 days in order for them to be stabilized.

New provisions address situations where a child under the guardianship of the director of child welfare refuses essential medical treatment. The new provisions establish a process whereby the director may apply to the court for authorization to provide treatment to the child, thereby respecting the views of the child and allowing the child to express those views to the court.

Mr. Speaker, in addition, it's recommended that an increased focus be placed on the following: the use of a mediator or alternate

dispute resolution process to resolve issues with the family, ensuring that children are informed of their procedural rights, further development of the role of the child and youth advocate with an increased reporting requirement to ensure that issues affecting children and families are addressed, legislating the administrative review process, and updating and clarifying the role of the appeal panel.

The legislation also emphasizes the involvement of First Nations bands in decision-making and the uniqueness of aboriginal culture, heritage, spirituality, and traditions, including Métis and Inuit. There will be an increased emphasis through the court system on holding parents responsible for the parenting of their children.

The area of adoption includes a number of recommended changes as well. These changes include supporting families in adopting children through an easier and less expensive process, further assistance for families in adopting children from another country, and a continued move by Alberta toward open adoption records. For adoption orders granted after proclamation of the new legislation, adult adoptees and birth parents would have full access to their adoption information. Either party may file a no-contact preference that would indicate whether or not the person involved wants to be contacted. For adoption orders that were granted prior to proclamation, adult adoptees and birth parents would have access to identifying information about one another, unless a veto was filed. A veto would prevent the release of any identifying information. Any vetoes that have currently been filed would remain in place.

#### 10.00

Mr. Speaker, in addition, there are a number of recommendations that include increasing accountability for services being delivered to children and families, revising the principles that guide decisions affecting children and families, the clarification of some of the definitions relating to the grounds for child protection involvement, aligning the confidentiality and disclosure provisions with the Freedom of Information and Protection of Privacy Act, changing the name of the act from the Child Welfare Act to the child, youth, and family enhancement act, increasing jail time and fines for persons wilfully abusing a child.

The proposed new legislation we are discussing today could not have been possible without the input that the Child Welfare Act review team received from Albertans.

I am pleased to support this bill because I am confident it will amend Alberta's child welfare legislation to better the lives of children, youth, and families. It will also strengthen the way Alberta Children's Services is able to support our most precious and vulnerable citizens. Thank you, Mr. Speaker.

I move second reading of Bill 24, the Child Welfare Amendment Act, 2003, and to adjourn debate for this evening.

[Motion to adjourn debate carried]

The Deputy Speaker: The hon. Deputy Government House Leader.

**Mr. Zwozdesky:** Thank you, Mr. Speaker. I would now move that we stand adjourned until 1:30 p.m. tomorrow.

[Motion carried; at 10:02 p.m. the Assembly adjourned to Tuesday at 1:30 p.m.]]