

Legislative Assembly of Alberta

Title: **Monday, May 5, 2003**

8:00 p.m.

Date: 2003/05/05

[Mr. Shariff in the chair]

The Acting Speaker: Please be seated. Hon. members, before I recognize the hon. Member for Drayton Valley-Calmar, may we briefly revert to Introduction of Guests?

[Unanimous consent granted]

head: **Introduction of Guests**

The Acting Speaker: The hon. Member for Calgary-Mountain View.

Mr. Hlady: Well, thank you, Mr. Speaker. It's indeed a pleasure for me this evening to introduce to you and through you to members of the Assembly five guests that we have in the members' gallery this evening. The first is Mr. Peter MacKay, who is running for the leadership of the federal PC Party and is the front-runner today with the most delegates going for him to the convention in Toronto at the end of the month. With any luck we'll be fortunate to be looking at the new leader of the federal PC Party and the future Prime Minister of this country.

Traveling with him is Russ Carrigan, who's been a constant help all along as he travels back and forth across the country. We also have three of our cochairs organizing in northern Alberta: Kerry Mahood, Kori Mahood, and Peter Grewar. I'd ask them all to please rise and receive the warm welcome of the Assembly.

head: **Motions Other than Government Motions**

Organized Crime and Terrorism

508. Mr. Cenaiko moved:

Be it resolved that the Legislative Assembly urge the government to work with Criminal Intelligence Service Alberta to enhance collaborative partnerships and co-ordinated programs with various levels of government, policing agencies, and the public to effectively combat organized crime and terrorism.

[Debate adjourned April 28: Rev. Abbott speaking]

The Acting Speaker: The hon. Member for Drayton Valley-Calmar.

Rev. Abbott: Thank you, Mr. Speaker. When we left off Monday last, I was talking about how we live in a time of increasing uncertainty, where organized crime and terrorism pose real threats to safety, security, and our collective well-being as a society. How or whether you respond to terrorist threats is a bit of a double-edged sword. On the one hand, whenever a threat is made, it would be wrong to ignore it completely. For instance, no matter how unlikely or far-fetched a bomb threat may seem, it would be unthinkable in our society in this day and age to take no action. Even the remotest of possibilities that injury, damage, or even death may be the outcome prompts us to take action. Thankfully, these threats turn out to be empty threats almost all the time, certainly in these parts anyway, and life returns to what we may call normal not long afterwards.

But is this an acceptable norm? I don't think so, Mr. Speaker. It is not acceptable to have everyday life punctuated with threats of murder and mayhem, not even if these threats are made but once a year, not even if they're made but once a decade. This is why

Motion 508 is so important in that it recognizes the valuable work of CISA, the Criminal Intelligence Service of Alberta. The temper of the times has now become such that the work of CISA is vital to the safety and security of Albertans, Mr. Speaker.

We must, however, proceed with caution. One of the hallmarks of terrorists and those involved in organized crime is their ability to blend in with the rest of society. We've seen this recently in the news around Edmonton. It allows them to strike when we least expect it. Another concern is how we view organized crime. I would suggest that collectively as a society we have a rather glamourized view of organized crime, which I'm afraid has given it an undeserved mystique and allure. As I will discuss in greater detail, these factors make it necessary for us not to paint with too broad a brush in trying to eliminate this scourge from our society. If we fail to act with caution, the likelihood that innocent individuals will be targeted is great.

Although North America has been spared much of the terrorist activities, other parts of the world have had to accept them as staples of ordinary life. For instance, during the 1970s terrorist actions in Europe ushered in a general awareness among Europeans that, like it or not, there were terrorists in their midst. Mr. Speaker, terrorist activity in Europe was frequent in the 1970s and the early 1980s. To mention just a few, West Germany's Bader-Meinhof, the Basque separatist organization ETA, or Italy's Red Army faction rose to infamy in that time and had become household names by the end of the 1970s. Over time, while the vast majority of the demands for money or the release of convicted terrorists have been rejected, where terrorists have succeeded is in making the concept of terrorism an accepted, albeit unwanted, aspect of daily life in Europe and in many other places around the world.

For this reason alone, Mr. Speaker, we must support the work of CISA to ensure that this does not happen here in Alberta. Terrorist activity has been and continues to be widespread in parts of the Middle East. Prior to September 11 that's probably where its occurrence was most expected and ingrained in our collective consciousness. For better or worse, we'd hear the word "terrorist," and we might have had an immediate association with the Middle East. However, it is imperative that our debate here tonight and at all other times not degenerate to being a matter of stereotypes. This is part of why Motion 508 is so important at this time. Terrorist activity is not unique to any one group of people. We must never lose sight of that fact.

Similarly, when we speak of organized crime, we should not treat that term as being synonymous with any one particular ethnic group, and we should steer clear altogether of the term "Mafia." One of the reasons we still use the latter term, I think, is that over the years it has gained a mysterious, intriguing, and alluring quality or dimension that for all of its ugliness also has a romantic quality. This makes recognizing the work of CISA all the more important.

Mr. Speaker, I'm sorry to say that thanks to the way organized crime has been glamourized in films and on television, the public at large has gotten a rather one-sided view of what organized crime is all about. For instance, look at *The Godfather* trilogy, pathbreaking in so many ways. The first installment of the trilogy, *The Godfather*, is considered by some to be one of the best movies ever made. Meanwhile, the crass television series *The Sopranos* has been showered with awards ever since it premiered in 1999. Why is this so? Well, Mr. Speaker, I don't think there's an easy answer to this question, but what is clear is that we live in a culture where dramatizations of criminal activity are commonplace. It has become a staple of prime-time programming as dramatizations of organized crime tend to be particularly successful. People eat this kind of stuff up like there's no tomorrow. Having said that, it shows why Motion 508 is such a timely initiative.

Collectively as a society we have a rather skewed view of what organized crime is and the toll that it really takes on our communities. For instance, a 2002 Environics survey of adult Albertans showed that about 60 percent of the respondents rated impaired driving as the crime that most concerned them. On the other hand, gang violence, organized crime, fraud, and prostitution were of concern to only 35 percent of Albertans. No matter how entertaining a particular crime show may be and no matter how alluring and beguiling organized crime may seem to some, make no mistake about it, Mr. Speaker: in real life it is neither.

There is nothing alluring or entertaining about this destructive phenomenon. With some regularity we hear reports about how organized crime makes its presence known in our communities. It is both unnerving and alarming to know how the arms of organized crime are long enough to spread to such a wide range of areas: drug trafficking, prostitution, illegal gambling, and money laundering to mention but a few. This is not one step but several steps removed from the mob world portrayed in the movies and on television.

Now, personally, I was surprised to learn just how wide a range of activities organized crime is involved in. Knowing what I know now, it is pretty clear to me that it is both unrealistic and short-sighted to fight real organized crimes with methods based on fictional or dramatized accounts. In the long run this will be neither effective nor successful.

What Motion 508 calls for is prudent, reasonable, and proactive. It not only makes good sense to have the government work with Criminal Intelligence Service Alberta; it would also strengthen our justice system, Mr. Speaker. By enhancing collaborative partnerships and co-ordinated programs with various levels of government, policing agencies, and the public to effectively combat organized crime and terrorism, I firmly believe that we will have a considerably better chance to preserve the wellness, safety, and security of our communities.

In times of great uncertainty this is a wise move. Lest we think this is not a problem in our province, here are a few figures to show otherwise. I understand that while the overall crime rate in Calgary continues to drop, organized crime is on the rise. The Calgary Police Service reports that the number of counterfeiting investigations have doubled in one year while drug cases are up 85 percent over the past four years. Meanwhile, the Edmonton Police Service estimates that there are about 10 gangs operating in the city, with 700 gang members associated. That's just in the city of Edmonton alone, Mr. Speaker.

8:10

Now, I've spent a lot of my time here talking about a skewed and a romanticized view of the mob and how this perception is quite different from what's really going on. Indeed, reality paints a much bleaker and more frightening picture. A 2002 Research Innovations survey showed that adult Albertans mostly associate organized crime with importing and trafficking in drugs. That's not an inaccurate view, Mr. Speaker; however, it is incomplete. As I said a few moments ago, the arms of organized crime reach far and wide, probably even to Drayton Valley, where I live. While Albertans are less likely to associate activities like prostitution and credit card fraud and Internet fraud and homicide with organized crime, these areas are being taught.

So I urge everybody to support Motion 508. Thank you.

The Acting Speaker: The hon. Member for Calgary-Mountain View.

Mr. Hlady: Thank you, Mr. Speaker. It's my pleasure to rise this

evening in the Assembly and join the discussion and debate on Motion 508, which calls for enhanced collaboration with Criminal Intelligence Service Alberta. I stand in support of the motion as I feel more co-operation, joint efforts, and partnerships between police forces, various levels of government, and the public will help to improve the safety of Alberta's communities. I would like to take this opportunity to commend the Member for Calgary-Buffalo for his hard work and dedication to this motion. It raises some very important issues that need to be addressed regarding organized criminal acts and the possible threats of terrorist activity.

With the passage of this motion Criminal Intelligence Service Alberta would be encouraged to work more collaboratively and co-operatively through partnerships and programs with a number of different government agencies, police units, as well as the public to fight organized crime and terrorism. Motion 508 supports the present methods and strategies in place but also promotes further co-ordinated programs and initiatives.

Mr. Speaker, organized crime is a growing concern for law enforcement authorities and the public. These activities are occurring across the province and may take a variety of different forms including auto theft, drug trafficking, gang activities, or fraud. I recognize that the Alberta government is committed to taking action on this problem. It has contributed over \$8 million during a three-year period to Criminal Intelligence Service Alberta to launch programs that address organized crime and terrorist activities. However, I also feel that these partnerships are essential and that enhanced collaboration would only benefit our efforts at addressing these problems.

Mr. Speaker, we must also remember that organized crime is not an issue that stays within a city or provincial boundaries. It is a unique type of criminal activity that requires a co-operative approach. Certainly, we see it crossing our borders, see it in our schools, see it internationally. I think of all the tracking that we saw in tracing bank accounts during the terrorism that has gone on in the world in the last two years. Seeing moneys moving around the world to promote and support terrorism is something that is only going to be growing in a more major way through the Internet and locally even just through cell phones down to a small basis of children in our schools today.

The Criminal Intelligence Service Alberta, CISA, exists as a centre of excellence to support the efforts of law enforcement agencies and government to detect, prevent, combat, and control crime that is organized or has a serious impact on the quality of life here in Alberta and on Albertans. Over the last few years CISA has made significant progress in developing a strategic response to organized crime. Alberta was the first province to introduce an intelligence-led process that co-ordinates the efforts of all partners across the private and public sector as well as orders of government. The Alberta approach stresses the use of intelligence from an array of sources, including the public, to identify and respond to a security threat before it occurs. Motion 508 acknowledges the importance of this approach and urges the government to strengthen these joint ventures as we cannot accomplish the task of providing safe communities in isolation.

Mr. Speaker, investigations have illustrated that more needs to be done to ensure the security and safety of Alberta citizens as well as a critical government and private-sector infrastructure. Criminal Intelligence Service Alberta is an integral part and component in Alberta's strategy to combat organized crime and terrorist acts.

Mr. Speaker, I would like to shift my focus now and address a specific element of CISA. This organization declared terrorism a provincial priority October 2001 in response to the events of September 11 and the affiliated criminality. September 11 was a

tragic reminder of the destruction caused by terrorist activities. These events have brought terrorist activities to the foreground and have increased the need for emergency preparedness and response for potential attacks and associated criminal acts. The government has taken action, and we acknowledge that we must continue to work this way to keep from having devastating events like this happen again in the future.

Alberta's counterterrorism process developed from recommendations by the Ministerial Task Force on Security. This strategy calls on the resources of government, law enforcement, fire, and health to protect our province from acts of terrorism. Mr. Speaker, we also know from what we saw printed in the newspapers relatively recently that some international targets that have been identified here in Alberta are our oil and gas industry, be it the refineries, pipelines. As well, the Calgary Stampede is a major international target because it's so well known. These are things that we must be prepared for in the future.

CISA was chosen because of its approach, which encompasses intelligence sharing, strategic analysis, operational support, and training. CISA exists to facilitate the exchange of criminal intelligence where the collection, the evaluation, the collation, and analysis can be made to effectively combat the spread of criminal activities. The imperative to prevent terrorist acts requires the use of accessible co-operation and a joint effort of varying agencies and departments around Alberta and across Canada. Police officers are not dealing with just the activities inside their border, Mr. Speaker.

Terrorist attacks threaten more than just the tragic potential loss of life, Mr. Speaker. They undermine our way of life, our freedoms, and our democracy. These acts inflict fear among the citizenry and are unpredictable, resulting in devastation at many different levels in our society. Therefore, we must adopt counterterrorism policies that are effective and utilize the combined resources of the agencies involved. We must use the full scope of intelligence to detect and prevent terrorist plans. Motion 508 calls for increased co-operation, as I've mentioned before. We will continue to work on this and expand our co-operation through intelligence agencies and police agencies around the world.

Mr. Speaker, again I would like to congratulate the Member for Calgary-Buffalo, and I do support him on this motion. Thank you very much.

The Acting Speaker: The hon. Member for Edmonton-Meadowlark.

Mr. Maskell: Mr. Speaker, thank you very much for giving me the honour of speaking to Motion 508. Before I go any further, I would like to take the opportunity to thank my friend the hon. Member for Calgary-Buffalo for introducing this motion. That he has done so shows a great awareness of some of the most pressing issues and concerns facing our society today.

Mr. Speaker, at the core of any intelligence-gathering effort lies, I believe, fear. This may be a fear of the unknown or a fear of something that's quite well known. What is known is that there are activities of organized crime and terrorist cells in our midst, perhaps not right here and perhaps not at all times, but there is a threat, and there is every reason to believe that Alberta is not free of these elements. What is unknown, then, is where, when, how, and in what manner these elements will strike. To some extent we are also not entirely sure why we may become the targets. This is ample rationale for why it is in every Albertan's interest that we enhance our collaboration with Criminal Intelligence Service Alberta to increase that which is known and to keep that which is unknown at a minimum. In times of increased uncertainty and concern about safety this is a baseline requirement.

Fear can be and often is a very disarming sensation. As we all know, it can result in a failure to take action or in what we might call overaction, too much or erratic action. However, fear is at the heart of organized crime and terrorism. You can even hear it in the latter: terror and fear are often synonymous terms. With that in mind, it is hardly surprising that terrorists and those who are engaged in activities of organized crime prey on people's fears. By intimidation, by threats, or through violence they try to frighten and coerce their victims into complicity and silence. Speaking up or alerting the proper authorities in any way can have drastic consequences. That's how much power these individuals can exercise. Fear, therefore, is an essential component in the kinds of criminal activities we're concerned with here: drug trafficking, money laundering, prostitution, kidnapping, and extortion just to mention a few. To say that the success of these operations depends at least to a degree on the ability to strike terror in the hearts of men and women is not, I think, an understatement.

8:20

It stands to reason, then, that if fear is an essential component in order that terrorism and organized crime be successful, removing or minimizing fear is likely to have an undermining effect. Mr. Speaker, if we know more, we can take action. We can take steps to prepare ourselves. By knowing more, by having some advance knowledge of what may or may not befall us, we would be in a better position to thwart the ambitions of those who are planning to engage in organized criminal activities or acts of terrorism. Quite simply, by knowing more, we will fear less. Ignorance, as it happens, is not bliss. This is certainly the case in 2003. If anything, ignorance is likely to breed more fear.

Mr. Speaker, in recent years we have learned through several tragic events that those who are engaged in the kinds of criminal activities that CISA investigates are not the kinds of persons who are above sacrificing scores of human lives for particular causes. Whether we talk about bombings, hijackings, or kidnappings, these acts have had three things in common. First, those who have carried out the deeds were highly devout and committed believers in whatever cause brought them to take action. When someone is that committed, he or she tends to have made a significant emotional and psychological investment in the cause. Secondly, many of these operations have been or are highly complex operations. Months or even years of planning and preparations were required before they swung into action. I mention this because the complexity of the operations demonstrates a level of sophistication that local police forces, no matter how dedicated they may be, in all likelihood will not be able to match in the long run.

There is a reason why we have heard the term "terrorist cells" a lot in recent months. A cell is, of course, but one small part of a much larger body, and so it is with organized crime and terrorist activities. Often networked, individual cells or factions work independently of one another while still being committed to the same cause or endeavour. Thus, Mr. Speaker, rendering one such cell or faction inoperable may pre-empt its ability to carry out whatever plan it was fashioning, but it does not scuttle the mission. Chances are that another cell will be ready to step in and pick up where the other left off.

Based on the aftermath of the tragic events of 9-11, we know that this can happen and does happen. We know that individual FBI agents and field offices submitted reports about suspicious activities during the summer of 2001 that seemed to have had at least some connection to 9-11. However, in the absence of a central co-ordinating agency to analyze these reports, no clear pattern emerged that could have forestalled what eventually took place. I don't

suspect that anything as tragic is about to, let alone would, happen here in Alberta, but we don't know; do we? In any event, we see how the absence of knowledge can be compounded by an absence of analysis of data, whether we talk about motorcycle gangs, organized crime syndicates, or terrorist groups. However, we can rest assured that they are well organized, well co-ordinated, and well funded. This is where CISA could make the difference in that by enhancing collaboration between it and other law enforcement agencies, whether civic, provincial, or federal, it would raise our level of readiness, our level of preparedness in the event of the unthinkable.

We have a responsibility to ourselves and to future generations of Albertans to rise up to meet the challenges and threats that these criminal elements pose to our way of life. Motion 508 is an example of sound policy-making. It will help us increase the level of safety and security of all Albertans. It will help us to better protect and care for all that which is near and dear to our hearts.

For these reasons, Mr. Speaker, I will support Motion 508, and I urge all my colleagues to do so too. Thank you.

The Acting Speaker: The hon. Member for Edmonton-Norwood.

Mr. Masyk: Thank you, Mr. Speaker. I'd like to rise to speak in favour of Motion 508.

Mr. Speaker, criminal intelligence for a constituency like Edmonton-Norwood would be most beneficial for the citizens. What happens in a constituency like Edmonton-Norwood or one where criminal activity is known to occur is that for people who have homes where a lot of this activity carries on, it causes the real estate to be not so favourable at times to buy. At the same time, if you have the real estate and you have a high level of crime activity going on, there's a chance that you may not get a mortgage. There's a chance that you may have your insurance canceled. There are a lot of things that go on. However, if you had this criminal intelligence, it would give a sense of security to the lenders, it would give a sense of security to the insurance companies, and it also would give a sense of security to the buyer. In a market like we're seeing right now, where there's a high level of housing needs, the inner city is one of the places where people tend to go and buy. Once they get there, they would like to have their children going to and from school safely.

So I'd like to commend the hon. Member for Calgary-*Buffalo* for at least looking at this, and it's our duty to at least give it some consideration if not to pass the thing hands down. Mr. Speaker, that simple fact is why I would encourage everybody to support it. It really does affect the homes of individuals. It really does affect our economy, and children and the elderly are the ones who are mostly impacted by criminal activity. I know an elderly gentleman who was taken down and tackled not too far from my constituency office, and nobody seems to know anything about it. If that individual was tracked, then I think we would probably combat those three or four people who brought him down. Plus, you would have some intelligence on his friends and his friends' friends. That's not only in Edmonton; it's all over. It's not only in the inner city; it's in the different areas.

On that note, I'd like to encourage everybody to support Motion 508 and really have a good look at it. Thank you so much, Mr. Speaker.

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

Mr. Snelgrove: Thank you, Mr. Speaker. Occasionally a motion comes along that makes it just about impossible to vote against it.

The motion says:

Be it resolved that the Legislative Assembly urge the government to work with Criminal Intelligence Service Alberta to enhance collaborative partnerships and co-ordinated programs with various levels of government, policing agencies, and the public to effectively combat organized crime and terrorism.

I don't think anybody in Alberta would vote against that.

Some of the speakers have talked about the criminal influence, the gang issue, and I want to go into that a little bit more specifically because I think, quite honestly, that in many parts of Alberta we don't understand how serious the gang or organized crime influence is. I just want to read into the record some of the situations that have actually happened in Alberta.

First off, with regard to aboriginal gangs enforcement agencies in Alberta have identified nine aboriginal-based street gangs or criminal organizations. While some of the recruitment of gangs has occurred in various locales in Alberta, considerable recruitment of gang members has occurred within provincial and federal correctional facilities. Once these individuals are released back into society, they continue to recruit in their local communities. In northern Alberta the Indian Posse, the Redd Alert, the Deuce Mob, and the Manitoba/Alberta Warriors have been identified as the most criminally active street gangs. Their primary illegal activities have been drug trafficking, prostitution, and the sale of black-market cigarettes. While the main centre of gang activity has been in Edmonton, gang members have been identified and in some cases arrested in northern Alberta communities. No one likes to talk about this kind of stuff, but it's important that the public hears. There's some more. At least one group, the Alberta Warriors, has had some association with the Hells Angels. Aboriginal-based groups are criminally active in theft, drug trafficking, prostitution, robberies, assaults, intimidation/extortion activities.

The Asian gangs. I don't know why, but it seems to make the news more when they can connect gangs with some group. The Asian-based organized crime groups continue to be primarily based in the urban centres of Vancouver, Calgary, Edmonton, Toronto, and Montreal, but smaller cities and rural areas are increasingly being used to conduct their criminal activities. The structure of Asian organized crime includes criminal youth and members of street gangs. This membership is fluid, with members often conducting several different criminal enterprises with members of other gangs. The ability for these gangs to work together makes it increasingly difficult for individual police forces to follow up on what they're doing, so the co-operation from within Alberta and province to province or from the federal system to us is absolutely paramount if we want to stop these before they become any worse or grow to become a bigger influence on the people of Alberta.

8:30

We know that the outlaw motorcycle gangs are here, particularly the Hells Angels. We know that they're involved in counterfeiting, loan sharking, extortion, escort agencies, strip clubs, possession and trafficking of illegal weapons, stolen goods, contraband, alcohol and cigarettes. You know, we read about these. We see them in the paper, and we'd like to think they're not here. We'd like to think they're in the bigger cities, Toronto, Montreal, and the American cities, but quite honestly they're here now and to not address it is to deny the truth.

So, Mr. Speaker, I certainly want to congratulate the Member for Calgary-*Buffalo*, someone who's spent a lifetime in criminal enforcement agencies and is completely aware of the problems we face. I hope the Members of the Legislative Assembly can support this motion tonight. Thank you.

The Acting Speaker: The hon. Member for Calgary-Buffalo to close debate?

Mr. Cenaiko: Please. Mr. Speaker, I'd like to sum up Motion 508. Since September 11, 2001, concern for potential terrorist activities throughout North America and specifically Alberta has been on the minds of all of us. However, there is work being done to ensure that we are not attacked by terrorists or organized crime. We've heard the Solicitor General through the last few months talk about her relationship with CISA and the \$2.4 million a year that is provided from this government to CISA for nonoperational and/or administrative functions with CISA to administer this organization within Alberta. This is truly effective, but we also have to look at: what is the role and responsibility of CISA into the future? Do they have an operational role? Do they have a role that may tie in with policing agencies throughout Alberta and yet a futuristic responsibility in an operational role that will look at the additional mandate that we as the Legislative Assembly may provide them?

The Solicitor General has provided \$1 million for IP projects for CISA over the past year which still have not been conceived in the fact that there still are difficulties with the relationships between the municipal policing agencies in Alberta and the RCMP, but we are hopeful that through her office the relationships and the contracts will be conceived over the next year.

Mr. Speaker, one of the most critical factors to prevent serious criminal activities is the sharing of information and intelligence. Information is scattered raw data. Intelligence, on the other hand, is information that has been put through a process of collection, evaluation, analysis, dissemination, and re-evaluation. Relevant credible information plus quality analysis equals useful intelligence. CISA assists in the exchange of criminal intelligence.

The potential threat, Mr. Speaker, to people and the critical infrastructure of Alberta represents a public risk that is shared by all Albertans. I encourage all members in this Assembly to urge the government to work harder and commit more time and funding for criminal intelligence efforts. I ask all members to support this motion.

[Motion Other than Government Motion 508 carried]

Full-service Gasoline Stations

510. Mr. Masyk moved:

Be it resolved that the Legislative Assembly urge the government to introduce legislation requiring every gasoline service station in Alberta to have at least one full-service bay to improve accessibility for the disabled and the elderly.

The Acting Speaker: The hon. Member for Edmonton-Norwood.

Mr. Masyk: Thank you, Mr. Speaker. It's a great honour to bring forward Motion 510. Originally I brought forward the motion because of personal experiences. I once witnessed an elderly lady being covered with gasoline while attempting to fill her vehicle. I was appalled that this woman, a member of our generation that built this great province, was humiliated because corporations have overlooked the need of an entire segment of our society.

Mr. Speaker, I have to ask the members of the Assembly to first look at a stage that I'd like to set, and the stage is regarding depth and width, and it's a little analogy of a bricklayer and three people. You'd come to them, and you'd ask the first one what he is doing. He would respond: I'm laying bricks. To link that to what I'm bringing forward would be a no, not to accept this motion. The second would be to ask the person: what are you doing? He'd say:

building a wall. That would be to divide the House 50-50: 50 yes and 50 no. What I'm asking for is for some greater insight and to look at it deeply and for the members to accept and pass Motion 510. When he asked the bricklayer: what are you doing? He would say: I'm building a cathedral. So, members, by passing this you'd have great vision, you'd have great depth, and you'd be building a cathedral, not laying bricks.

Mr. Speaker, after witnessing that incident, I did some personal research into how many full-service stations there are in Edmonton. I found that between three major gasoline providers – Petro-Canada, Shell, Esso – full service was offered at only 20 of 110 stations. Having only 18 percent of the gasoline stations provide this essential service for a city of nearly 1 million people seems outrageous, especially when our population is rapidly aging and the fact that more people with disabilities are driving nowadays. To make matters worse, if a senior citizen or a disabled person wants to find out where the nearest full-service station was located, it's only Shell that has this information readily available to the public by way of the Internet. Currently 10 percent of our population is over 65. By 2026 20 percent of Alberta's population will be in this age group.

As legislators it is our duty to prepare a progressive province for the future. This is exactly what Motion 510 does. It creates equality for those who have contributed a lifetime of hard work to this province and who now deserve society's respect. For many of us it is difficult to imagine that we one day may require assistance as we age, and the way our age is now, on average, as we speak, they're hewing some granite out and chiseling our names on it.

Living independently for as long as possible is a goal that many of us share and many seniors strive for. To not be a burden on anyone in our society is a fundamental aspect for a way of life in Alberta. Part of this strong sense of independence is the right of mobility. In a North American society a life not free from impediments or immobility is no life at all.

Part of our view of freedom of movement or independent living involves having the ability to drive your vehicle when you desire. The ability to drive your vehicle involves, in turn, the ability to obtain fuel. With full-service stations increasingly scarce, it, however, becomes increasingly difficult to achieve and maintain full independence for those who have special needs.

It's true, Mr. Speaker, that some businesses are becoming more aware of the needs of seniors. The senior-friendly program initiated by the Alberta Council on Aging is a good example of how the private sector voluntarily can make a change in existing practices so that businesses become more accessible to seniors. Through the tools and products of this program businesses and organizations that offer services to seniors are provided with information and tips on how they can improve their service to seniors by eliminating barriers and enhancing accessibility. However, gasoline stations in Alberta have yet to make the necessary changes in order to make accessibility an important feature of their business practices.

8:40

Mr. Speaker, as I mentioned earlier, Motion 510 also seeks to increase accessibility for disabled Albertans. Seniors will not be the only group that will benefit from this motion. Currently there are half a million people in Alberta living with a disability. Ours is a province that prides itself on equality for all citizens regardless of race, creed, background, or abilities, but when it comes to the issue of mobility, our high standard of equality is not being met at present. It is time we took a step forward toward equality and fairness and grant Albertans with disabilities the freedom which the rest of us have come to take for granted.

Mr. Speaker, advances in technology have made and continue to

make driving motor vehicles more accessible for Albertans living with disabilities. However, for all the new technological breakthroughs that automobile manufacturers have made, fuel service providers have not kept up with the advances. With more and more new service stations being built that are self-serve only, we continue leaving persons with disabilities at a disadvantage. If private business cannot meet the needs of Albertans who are already disadvantaged in our society, it is our duty as elected officials to come to their assistance. I was always of the attitude we were elected by the people for the people.

Mr. Speaker, this government through the Premier's Council on the Status of Persons with Disabilities has made tremendous strides in enhancing the lives of the disabled. In December 2002 the council released the Alberta disability strategy, which is currently being reviewed by the Department of Community Development. The Alberta disability strategy has eight major recommendations for immediate implementation. Of these eight, three bear directly on Motion 510.

The first recommendation is that "Albertans should be made more aware of the rights, needs and aspirations of persons with disabilities." If passed, Motion 510 would directly address the issue of equality rights and the needs of disabled Albertans.

Mr. Speaker, the second recommendation is that "the Government of Alberta must ensure that the needs of persons with disabilities related to their daily living activities are met." Freedom of mobility is an essential part of daily living. Therefore, by providing equality at gasoline stations, it should be obvious how Motion 510 would assist government in implementing the recommendation of the Alberta disability strategy.

Mr. Speaker the third recommendation of the strategy recommends that a commitment should be made to "universal accessibility and a process put in place to remove physical barriers from public spaces so that all Albertans can fully participate in all community, employment and business activities."

Again, it's clear how Motion 510 is consistent with government's progressive and important recommendations. Albertans with disabilities are currently hampered by disadvantages when it comes to freedom of mobility. If a person living with disabilities is to fully participate in all community, employment, and business activities, there must be full equality in the basic necessity of transportation and mobility.

In conclusion, I would ask you to adopt a little different attitude, Mr. Speaker. Because you can't fill up your tank, it's not time to hang up the keys. It's time to amend our policy and amend our views on the disabled and elderly. I would like to clearly state that the possibilities proposed in Motion 510 are far from impossible. In Oregon and New Jersey full-service gasoline stations are mandatory. In New Jersey the law was passed in 1947, whereas the Oregon statute has been on the books since 1951. These states prove that equality and safety can be at the forefront of government policy without needlessly hampering business.

Mr. Speaker, with static electricity and what I've seen, it wouldn't take much of a spark, and the elderly lady or a disabled person would have some serious burns, not to mention the impact it has on the environment. One ounce of gasoline destroys something like 5,000 square feet of atmosphere. [interjection] Space. That's why the shuttle crashed.

Mr. Speaker, for Alberta's 300,000 seniors and 500,000 Albertans living with disabilities, Motion 510 is a necessity. The fundamental issue of ethics, of equality, and fairness of the issue address Motion 510. Alberta is already a leader in the nation when it comes to progressive legislation. Motion 510 will continue to be a proud legacy. We cannot wait.

Mr. Speaker, I would urge everybody to see the cathedral. Thank you.

Ms Blakeman: Oh, Mr. Speaker, there's a great deal to be said for clarity, and I'm really glad that I was able to hear the member that brought forward and proposed Motion 510 speak to his motion because I have to say that recently I've seen a number of motions brought forward that in fact as written on the page do not reflect what the member was trying to achieve. When I was reading this motion, it was not clear to me what the ultimate aim was, and I'm glad that we were able to hear the member clarify his intent around this because I think there are a number of different ways that it's possible to interpret what in fact is on the page.

When I read something that says

urge the government to introduce legislation requiring every gasoline service station in Alberta to have at least one full-service bay to improve accessibility for the disabled and the elderly,

I originally thought, where I come from anyway, that a full-service bay is actually where a mechanic works on a car, and I thought: "Okay. I don't quite understand why. The public is not allowed into the actual working environs of a full-service gas station that's providing mechanical expertise." But, no. The member has clarified that he's really talking about offering full-service assistance in gas stations to people who perhaps for a variety of reasons are not able to be operating the self-service pumps. I hope that in the closing that is offered to the member, he will be able to clarify that in fact what he is seeking is special gas pumps, not service bays but gas pumps or full-service attendants to come out and fill the gas tanks in people's vehicles if they are not able to or have some sort of mobility or accessibility restriction to be able to do it themselves.

The member mentioned a number of excellent programs that exist now to encourage people to look around and think how simple changes in the environment or in fact in the way they approach various tasks could be improved so that everyone is able to have better access to it. A simple example is the easier-to-open doors or the electronic doors now where you can push a button or a panel beside the door and the door will open. Originally this was envisioned as being helpful to people who really would be classed as having a disability, but in fact if you stand there and watch, lots of people take advantage of that, and it assists many different kinds of people with access to buildings; for example, moms that are pushing those little pushcarts with toddlers or babies in them, someone with a temporary disability like a broken arm or struggling with crutches or perhaps with a back ailment that's making them a little stiff and it's hard to yank those big heavy doors open, people that are carrying packages. You know, you can sort of whack those buttons with your elbow or even with the package itself, and the door will open.

8:50

So what was intended to benefit a fairly small segment of the population in fact a great number of the population takes advantage of: accessibility. In most cases it has not turned out to be an enormous burden upon either the business sector or the public sector to provide this. Now as we build buildings, those are automatically built in mostly because we put the legislation in place to make sure that those things would be considered when buildings were either retrofitted or put in place.

I am always supportive that we are increasing the participation of every Albertan fully in the life of the province. I think that enhances all of our lives and brings into play the talents and brain power and expertise of all Albertans. So anything we can do to make accessibility easier for people, absolutely; I'm more than willing to support it. And my colleagues in the Official Opposition have always been

supportive. In fact, one of my former colleagues, the former Member for Edmonton-Rutherford, was a leader and a crusader in that area, and certainly one of the reasons we enjoy such strong accessibility legislation and bylaws in Edmonton is because of him. He has shown us all leadership, and we've all learned a great deal from him. Am I willing to support something that makes it easier for people to gas up either using technology that would make the pump system easier to access somehow or in fact by making sure that there are people there to assist if someone required it? Absolutely.

Just a couple of questions for the member. Is he anticipating that there would eventually be legislation that would require gas service stations to provide that additional staff person that's available to come out and actually operate the pumps for someone that couldn't do it themselves, or is he anticipating some sort of a retrofit program, for instance, like the city of Edmonton has in place where businesses can apply for a grant to help them retrofit buildings for accessibility for persons with disabilities? Exactly how is he anticipating the follow-through in getting this idea in place? I'm interested if he can expand upon that, please.

Now that he's clarified that what he was really talking about is access to the fueling system in gas stations, that makes it much easier for me to support this. If I can get the clarification on whether he's anticipating legislation that would require additional staff or somehow that all staff that are working in gas stations are capable of leaving their cash register and going out and doing this or how he is anticipating the implementation of this.

Good ideas are gratefully received, but if they don't ever make their way to implementation, they just become a frustration for us. So I'm pressing him to follow through on the rest of how he sees this coming to be, and I'm sure that in the time – he will probably have another week before he does his closing comments. It gives him time to seek guidance from some of the excellent agencies that we have working in Alberta, like the ACA or the Premier's Council on the Status of Persons with Disabilities or agencies like the ones in my riding like EmployAbilities or DECSA, all of which I'm sure would be more than willing to give him advice on this very important issue.

Thank you for the opportunity to speak to this. I am willing to vote in favour of Motion 510. Thank you.

The Acting Speaker: The hon. Member for Lac La Biche-St. Paul.

Mr. Danyluk: Thank you very much, Mr. Speaker. It gives me great pleasure to be able to stand up and speak to Motion 510. My constituents feel that the government already makes too many laws, and really they don't want any more restrictions on how they do their work. Albertans just want to work. Business does not want government to get involved in private business.

I guess one thing that I do want to say is: maybe the situations could be a little different in urban Alberta as opposed to rural Alberta. I need to talk about rural Alberta a little bit because I need to talk about small-town Alberta. Sometimes we only have one service station that's open, and if we are going to legislate business to have to operate with two people on duty, then that provides such a restriction because there isn't enough money being made to be able to support it.

You have to also remember that now we don't have service stations that only serve gas, where you can have an attendant that leaves the service station, goes to serve the gas, and the only thing that's left maybe in the service station is a till. Most of the service stations are a convenience store at the same time. It wouldn't take long for people to realize that if you have one attendant and he has to go outside to serve people, the money that he may make on the

gas could be lost on chips and pop that might be underneath the coat.

I also say that, you know, there has been some allusion made to seniors needing assistance, and I would suggest that in my constituency, at least from my experience – and I have seniors coming to my office – they have a tremendous network. They know where there are service stations that have attendants that do pump gas in the daytime. They know exactly where they can go to get the service, and I don't think they need to go to the Internet to find out where those service stations are. It doesn't take them long in the pipeline of knowledge to find out where those places are.

I would also like to say that I really believe that having self-serves teaches kids how to maintain their vehicles a little bit and at least try to identify some of the problems that vehicles may have, checking the oil, looking at the fan belt, doing some of this checking. If you have a situation where you are going to have attendants that are going to take care of this, they are never going to go to the place where they have to do the self-serve. It's just easier to have someone else do it and thereby not have that much information or knowledge gathering.

I believe that we just cannot afford to impose restrictions on businesses on the amount of staff that they need. I think the service stations are operating very well. They want the business, and they are doing the work that is going to acquire the most business possible, and I very much would like to speak against those types of restrictions which are in Motion 510.

The Acting Speaker: The hon. Member for Edmonton-Meadowlark.

Mr. Maskell: Mr. Speaker, thank you for giving me the opportunity to rise tonight and speak in favour of Motion 510. I'd like to begin my remarks by commending the hon. Member for Edmonton-Norwood for introducing this motion. Not only that; a motion such as Motion 510 requires that the sponsor be a caring person as well as someone who is cognizant of the barriers that some members of our society face each and every day. The hon. Member for Edmonton-Norwood is such a person.

Humility is a virtue and one that perhaps we do not accord the status it deserves in daily life. In a society as dependent on the automobile as ours we sometimes forget that driving a car is not a right, but rather it is a privilege, as well it should be. While a car offers great convenience and ease of use, it is also something that requires a great deal of responsibility. In the wrong hands any car can become a deadly weapon. To put it quite simply, Motion 510 deals with matters of fairness and safety. As has already been stated, the purpose of Motion 510 is to enact legislation . . .

The Acting Speaker: I hesitate to interrupt the hon. Member for Edmonton-Meadowlark, but the time limit for consideration of this item of business has concluded.

9:00head: Government Bills and Orders

head: Committee of the Whole

[Mr. Shariff in the chair]

The Deputy Chair: I'll call the committee to order.

Bill 18

Energy Statutes Amendment Act, 2003

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

Ms DeLong: Thank you, Mr. Chairman. It's my pleasure to speak to Bill 18 today. I have listened to the questions and concerns of the members opposite with great interest and would like to take this opportunity to address them.

It's important to keep the intent of this bill in mind as we move forward. This bill is designed to allow the Department of Energy to deal more effectively with land tenure and collection issues. It allows for a more effective collection process by providing certainty around which leaseholder has the natural gas rights when natural gas is found in coal seams or solution gas is found in conjunction with oil sands. This clarifies which leaseholder is responsible for paying royalty and which royalty regime applies. It codifies joint liability so that the Crown will not have to argue the common-law precedents in every case where a lessee defaults on a royalty payment. It clarifies that provisions governing royalty recalculations apply to royalty and to associated interest and penalties, and it sets out reasonable time periods to complete recalculations of royalty and related interest and penalties.

First, I'd like to highlight the fact that the Auditor General's report for the past two years has indicated that the gas royalty calculation and collection process has shown no outstanding issues or concerns. In fact, production data reported to the Alberta Energy and Utilities Board and to the Department of Energy has been enhanced through the implementation of the Petroleum Registry of Alberta. Up-front audits and validation processes ensure that only accurate data is accepted. Missing or incomplete data is identified and subject to compliance mechanisms such as penalties.

The Auditor General has also made recommendations with respect to the disclosure of costs related to royalty reduction programs. It's my understanding that the department addressed the Auditor General's concerns regarding these programs as part of the most recent completed audit.

Regarding individual meters on oil and gas wells, in Alberta today there is essentially a meter at every wellhead with some minor exceptions. The main exception is for the very low-producing wells in southern Alberta, where a number of wells can be measured through a common metering site. This means that the combined production for a cluster of wells is measured. There is a second set of metering for virtually all gas production in the province, which is the measurement of natural gas and natural gas liquids leaving natural gas plants. When the gaseous and liquid components have been separated and water and other impurities removed, the plant custody measurement is even more accurate than the wellhead meters. To make wellhead meters as accurate as plant custody meters would require building a miniature gas plant at each well, which is just not feasible.

Regarding new technologies, new technologies could result in better allocations back to the wellhead and could conceivably improve even the highly accurate plant gate custody meters. Metering affects the distribution of revenues between pipeline owners and well owners, so there is a very healthy interest in using the most accurate metering that is practically available. Mr. Chairman, accurate measurement of oil and gas is important to ensure that Albertans receive their fair share of royalties and the government ensures that production and disposition are properly calculated and reported.

Mr. Chairman, a member of the opposition asked about the extent of the problem in recalculating freehold mineral tax. The answer is that the total adjustments are approximately 2 percent of what is collected, or about \$2 million; that is, 2 percent of the mineral rights tax that is collected. The Department of Energy is very diligent in collecting all the tax that's due.

Mr. Chairman, a member of the opposition also raised some

concern over the use of the word "may" in section 3 of the Freehold Mineral Rights Tax Act. The word "may" empowers the minister to recalculate the tax payable. One should look at the entire act along with the regulation under the act to see if there are any conditions prescribing and exercising that power. Section 6 of the Freehold Mineral Rights Tax Act clearly states that where the tax owed on a single tract is less than \$20, then no tax is owed. The use of the word "may" in the proposed section 3 of the act ensures consistency with section 6 of the regulation.

A question of why the minister is being given the power to determine the order of payment has also been raised. The order of payment to gas accounts is specified in the natural gas royalty regulation, 2002. With respect to freehold mineral tax, allocation to specific tax years may be required to ensure that the oldest outstanding arrears are paid first. This helps ensure that a freehold mineral owner's title does not go into default.

In relation to the legal question a member of the opposition asked in regard to ownership of the gas underneath the tar sands and bitumen mines, the provisions in Bill 18 are proposed to resolve the ownership of gas and solution gas in oil sands areas. The Crown identified the ownership conflict situation and provided industry more clarity surrounding the issue. The new definition is contained in Bill 18. On Crown land Albertans own all the resources: gas, petroleum, and bitumen. Bill 18 explains the issue of which lessee has the right to the solution gas.

The Member for Edmonton-Gold Bar raised some questions regarding venting and how this will affect the development of coal bed methane. The venting of methane ahead of the mining operation for safety reasons will have a very minor impact on the total volume of coal bed methane that will be developed in Alberta. There are a total of 24 permits to develop a mine in the province, which on an area basis represents only three out of a thousand of the total coal available for coal bed methane development. That's .3 percent. Explosions caused by coal bed methane during mining have historically been a bane to miners. This requirement to vent coal gas ahead of the mining operation is critical for the continued safe mining operations in Alberta.

Coal bed methane is in the early stages of development in Alberta. The Alberta government intends to proceed carefully with the development of this untapped resource so that it can learn from the experience of other jurisdictions and from data collected from Alberta operations. Coal bed methane is natural gas, and it is subject to the same legislation, regulations, and administrative practices as conventional natural gas. Alberta Energy, the EUB, Alberta Environment, and Sustainable Resource Development have existing regulations that apply to coal bed methane development.

In October 2002 the Department of Energy announced a cross-ministry review and external consultation process to determine if the existing regulations and policies are appropriate for responsible coal bed methane development or if any changes should be made. The planned cross-government external consultation process, that includes public input, will address a broad range of issues associated with coal bed methane development, including water, to ensure that recommendations balance industry interests with landowner, resident, and environmental considerations.

The Department of Energy is continuously reviewing its existing rules as well as developing new rules to ensure that the Crown and Albertans receive the intended shares of royalties from the development of energy resources. The royalty regime for oil sands delays taking a large up-front royalty due to the significant investment required to start up a project. The regime is designed to allow the Crown and industry to receive a fair share of the profits from oil sands over the entire cycle of a project. The Department of Energy

requires all large oil sands projects to be audited on an annual basis by an external accounting firm. The department also performs its own audits on all projects to ensure accurate collection of royalty revenues.

9:10

Regarding water flow, it is a requirement in Alberta to obtain a well licence from the EUB to drill an oil and gas well and to ensure that groundwater resources are protected. As part of the EUB application process, Alberta Environment has input by requiring surface casing, which I'm sure you've all heard of, to be set at a depth below the base of groundwater protection. This cemented surface casing protects any water aquifers that may be in the area from possible damage while the well is being drilled. If anyone suspects that the drilling or production of a well is causing disruptions in their water flow, they should contact the EUB, who will investigate their complaints.

To finish my comments, I strongly support Bill 18 as it advances Alberta's land tenure and collection capabilities. Thank you very much, Mr. Chairman.

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

Mr. MacDonald: Thank you very much, Mr. Chairman. It's a pleasure to rise this evening and participate in the debate on Bill 18 at committee stage. Certainly, I appreciate the answers to my questions from earlier in debate from the hon. Member for Calgary-Bow.

One cannot find too much fault with this legislation if one is just to look at the intent, which I believe is to provide legislative clarity for investors as well as to ensure that the rules are clear and effective for someone drilling a well. When we think of this and we think of the fact that the hon. member just concluded by saying that the coal bed methane industry is in its early stages of development in this province and that coal bed methane and natural gas are supposedly one and the same and that it's an industry that is in its infancy, I have to question at this time if this legislation is what the coal bed methane industry needs at this point in its development.

Now, there certainly are other initiatives presented here, Mr. Chairman. You know, we are going to amend the Mines and Minerals Act and the Freehold Mineral Rights Tax Act. We've already discussed that. We are going to permit the government to enhance its tenure and its collection practices, and at this time I would like to know from the hon. member if this is just for Crown tenure or if it is also for private tenure.

Last week I had the pleasure of attending a public meeting in Camrose with many of the landowners in Camrose, some of whom have rights that are older than the province. These have been passed down from one generation of the family to another. We had quite an interesting discussion. First and foremost, these individuals certainly wanted to talk about electricity and natural gas deregulation but were very interested to also talk about the coal bed methane industry. They recognized that there were a number of wells that could be drilled on a section, sometimes a lot more wells. In some rural areas 64 wells a section were proposed for coal bed methane development, and this number of wells was not, to say the least, popular with the farmers or the landowners. There was the issue of compressor noise. There was the issue of water disposal.

I thought at that time: well, this would be an ideal time to do some research into development in other jurisdictions and just what exactly other jurisdictions have done. The hon. member mentioned that in her remarks, and certainly I would think that this government would not like to lag behind other jurisdictions. I didn't have to go

far in my research, encouraged by the farmers, to find out that B.C. in this legislative session has a bill, Bill 16, the Coalbed Gas Act, introduced by the hon. Minister of Energy and Mines in British Columbia, and it's a lot different, I must say, than what we are looking at in this province. After reading through it, it gave this member cause for concern.

Now, it looks like in proposing the Coalbed Gas Act, the British Columbia government has taken the lead as the most coal bed methane-friendly jurisdiction in Canada. The Minister of Energy and Mines in B.C. is developing a coal bed methane strategy. I do know that there are some pilot projects going on on Vancouver Island, and the government has made a commitment to coal bed gas development that is going to encourage and promote confidence for investors and also promote confidence in exploration opportunities throughout B.C.

I don't know what is going to happen with this bill if it is going to be assumed by investors that B.C. is a little bit more friendly towards exploration and investment and if people are going to vote with their feet and go there. That's why I would urge caution on Bill 18, and if there's a way to improve this legislation through amendment, well, perhaps the time is right for this House to consider it.

As I said earlier, we have Bill 18, and British Columbia has Bill 16, and the purpose of Bill 16 in B.C. is simply to promote economic activity in that province by removing any uncertainty that surrounds entitlement to coal bed gas underlying both Crown and freehold lands in that province. Our Bill 18 is going to amend, certainly, section 67 of the Mines and Minerals Act to clarify, as I understand it, that Alberta Crown coal tenure does not include "rights to any natural gas, including coalbed methane." If that is wrong, if the hon. member could clarify that, I would be very grateful.

Now, the proposed Bill 16 in British Columbia is, as I understand it, declaratory legislation that confirms a long-standing B.C. government policy that coal bed gas is a natural gas owned by the owner of the natural gas rights by deeming natural gas to be and to always have been a mineral and deeming coal bed gas to be and to always have been natural gas. It is further confirmed that a natural gas tenure issue pursuant to the Petroleum and Natural Gas Act includes coal bed gas rights and that a coal tenure issue pursuant to the Coal Act does not, regardless of when such tenures were issued.

9:20

The Alberta Bill 18 is, on the other hand, much more limited, or it has restrictions. The proposed legislation, as our research indicates and as I've been told, is that the legislation certainly clarifies that coal bed gas is not included in Crown coal tenure but does not specifically include such substances in natural gas tenure although the definition of natural gas leaves little doubt in this regard on a go-forward basis. Significantly, the Alberta legislation is silent as to its retroactive effect on the vested property rights of current tenure holders. Existing natural gas tenure holders must rely on the regulatory incorporation provisions contained in the Crown tenure documents. Mr. Chairman, the contractual provision in Crown dispositions whereby the grantee agrees to incorporate into the contract compliance with further legislation enactments. We also have to consider that the statutory compliance provision in section 4 of the Mines and Minerals Act provides that the act applies to an agreement made, entered into, or renewed under the former act notwithstanding anything in the agreement.

The Mines and Minerals Act here in Alberta applying to an agreement must be recognized as less effective language than, for example, the province of Saskatchewan Crown Minerals Act, which provides that all existing Crown dispositions shall be deemed to be issued under that act. Without specific retroactive enactment

language or a stronger statutory compliance provision, it is open for the current holders of Alberta Crown coal tenure to argue that existing agreements are unaffected by the Alberta amendment act. If the hon. Member for Calgary-Bow could confirm this or answer my questions around this, I would be very grateful. There are current holders of Crown coal tenure. Will they want to be compensated in this case?

There are many people with opinions on this, but A.R. Thompson in his article *Sovereignty and Natural Resources* has studied Canadian petroleum legislation and identifies limitations on the doctrine of regulatory incorporation insofar as it pertains to certain basic or fundamental provisions of a Crown disposition. The first argument is that there are certain entrenched provisions contained in the grant or conveyance language of a Crown disposition which are separate and apart and of a more fundamental nature than the other covenants and conditions contained in the document. This, it is noted, parallels the Supreme Court of Canada's distinction in *British Columbia v. Tener* between mere regulation and defeating the grantee's entire interest in the land.

A.R. Thompson's second argument is founded on a basic consideration of contract law and recognizes that notwithstanding a clause binding a party to the contract to comply with such changes as may from time to time be introduced by the other party, there is a core of the contract which is unalterable and must be performed. It is open to the court to identify certain fundamental terms of the Crown coal tenure which are unalterable by the Crown, by the corporation of the future, statutory provisions, or regulations. Such fundamental terms might include the basic right to produce and market these substances and to extend the nature of the granted substances themselves.

Now, the proposed Alberta Energy Statutes Amendment Act, 2003, Bill 18, and the Mines and Minerals Amendment Act, 1978, introduced an expanded definition of oil sands which was discussed earlier. When this happened, it was with the following language: an agreement granting rights to petroleum and natural gas or either of them, whether granted before, on, or after July 1, 1978, does not grant rights to oil sands. I would like to get some of these questions answered in regard to this.

Mr. Chairman, there are several historical examples of Canadian jurisdictions employing legislation to bring about the consistent resolution of mineral ownership ambiguities. While certain of these enactments strictly address Crown tenures that overlap in a substance context, such as section 125 of the British Columbia Petroleum and Natural Gas Act and section 4(2) of the Alberta petroleum and natural gas tenure regulation, which deems petroleum tenure not to include rights to oil sands, others encompass both public and private lands, such as sections 56, 57, and 58 of the Alberta Law of Property Act and the Saskatchewan Sand and Gravel Act.

Mr. Chairman, notwithstanding that the British Columbia legislation affects privately held lands, it is important to distinguish its declaratory nature from legislation that affects exploration of the coal bed gas resources in that province. The proposed coal gas act simply seeks to address the uncertainty that surrounds the case-by-case application of the vernacular test for mineral entitlement determination employed by Canadian courts. When taken in context, the proposed coal gas act strikes an equitable balance between the use of legislative power to fulfill public policy objectives with the need for certainty of private mineral tenure.

By way of illustration, research indicates and reminds us of the following historical examples of the exercise of provincial legislative power to affect by way of exploration privately held mineral rights. Saskatchewan's Oil and Gas Conservation Stabilization and Development Act, 1973, vested in the Crown petroleum and natural gas in all producing tracts in Saskatchewan down to and including

the producing zones. Nova Scotia's Petroleum Resources Act vests in the province all petroleum including any mineral oil or relative hydrocarbon and any natural gas including coal gas existing in its natural condition in strata. British Columbia's Geothermal Resources Act vests all geothermal resources in the Crown. The Petroleum and Natural Gas (Vancouver Island Railway Lands) Act can be used to vest petroleum and natural gas rights on Vancouver Island in the Crown. Section 128 of the Petroleum and Natural Gas Act permits the Crown to vest storage reservoirs in the Crown.

That's one example of questions that would certainly make one cautious about whether Bill 18 is at this time what the coal bed gas industry needs for further development. When we look at how important this is going to be for the province, not only must we develop this industry in a timely fashion, Mr. Chairman, but it must be done right. We can make an effort not to repeat some of the mistakes that have been made south of the border.

Now, there's no doubt that coal bed methane could in the future supplement Alberta's natural gas supply. The gas is sweet and dry, and generally it's pure methane with small amounts of carbon dioxide and nitrogen. Coal bed methane accounts for 7 percent of total U.S. production, and it's growing. With industry interests in coal bed methane development increasing, the Department of Energy – and I've been following this with a great deal of interest – commissioned a report on the potential of the coal bed methane reserve base and the conditions necessary for the development of such. The report I would think is almost required reading for all hon. members of this Assembly. When we look and we recognize that coal bed methane is a form of natural gas – and as I understand it, here in Alberta coal bed methane royalty is going to be calculated in the same manner as conventional natural gas – we need to ensure that everything that is possible will be done to proceed with development of this natural resource, and everything that's possible means making sure we've got a proper method of disposing of the produced water. How we use that is paramount to public confidence in the development of this industry.

I look forward to participating some more later, Mr. Chairman. Thank you.

9:30

The Deputy Chair: Are you ready for the question?

Hon. Member for Edmonton-Mill Woods, are you rising to speak?

Dr. Massey: Yes.

The Deputy Chair: Okay.

Dr. Massey: Thanks, Mr. Chairman. I appreciate the opportunity to make a few comments about Bill 18, the Energy Statutes Amendment Act, 2003. The bill, as my colleague indicated, has been preceded by one in the province to the west, and one of the positions that's being put forward is that this should be treated as a separate resource and not lumped in with others.

Mr. Chairman, I don't have my notes, and I'm going to have to get organized and cede the floor to a colleague.

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

Ms Blakeman: Thanks, Mr. Chairman. I want to make just a couple of comments in Committee of the Whole, which is a better sort of working session for us to ask and answer questions here. My continuing struggle when I look at Bill 18 is that it's not going far enough. It's not giving me certainty and clarity in what I'm seeking. It is not clear exactly who it applies to. I listened to the opening

remarks from the member, and she mentioned again oil and natural gas but didn't mention coal bed methane. So the struggle that I continue to have with this bill is that it is not talking about the obvious, and I want to know: the coal bed methane rights are assumed under what? Oil rights or natural gas rights?

So I'm going to ask the questions, and then the minister can respond to me, because that's what we do in Committee of the Whole. It's not being spelled out in this bill, and it's not being separated out, which is what I am seeking here. I think it's dangerous to assume that those rights will be picked up under the other two, because it in fact is not spelled out, and the assumption is a wrong way to go about creating certainty in this area. There's a lot of money at stake here. There are a lot of jobs at stake here. Our whole province is built on oil and gas revenues and productions and royalties and all of that. So to sort of not say anything and not provide certainty and clarity is where I am really struggling to be able to support this bill. Is there the possibility of an amendment that would sort this out and make it clear? We've got oil rights; that's one thing. We've got natural gas rights; okay. But there should be a requirement that you would have to negotiate coal bed methane rights outside of whatever is anticipated by those two. I don't want to belabour the point. I hope I've made it as clear as possible that that's my hesitation here.

We are dancing around and not talking about the very thing that to me is most obvious. Now, perhaps it happened that when the impetus for creating this amending act came forward, we still weren't really sure how likely coal bed methane production was going to be in Alberta, and maybe it's progressed so rapidly that the legislation or amending act didn't keep pace with that. I don't know. I don't know what the reasoning is behind it. But it's not acceptable to me to have an assumption about something as important as energy production and its effect upon the whole fibre and fabric and economic well-being of this province.

I think it has to be spelled out, and it's not being spelled out in this bill, and that's my problem with supporting it: that it's just not talked about. I'm looking for that kind of certainty and that kind of clarity that it will be spelled out, and unless I'm seeing some sort of amendment or something very clear that's going to happen that hasn't happened so far, I'm having problems supporting this bill. So that's where my hesitation in supporting it is: that the bill is not going far enough in spelling out who gets what, where, and why and that it's not clear exactly what that is.

Thanks very much.

Ms DeLong: I thought that maybe I should clarify things before we get any further off track here. One first of all has to look at what leases really are. Okay? When you have a lease, you don't have a lease to have all of the gas all the way down to the centre of the Earth or all of the oil all the way down to the centre of the Earth. Each separate formation is a separate lease in terms of what you're producing from. We do not have separate categories for natural gas that comes out of sandstone, natural gas that comes out of shale, natural gas that comes out of all of these different kinds of rock, just the same as we don't have separate types of leases that come out of coal bed strata. So all we're trying to get cleared up here is that if you have a lease for coal, for actually taking coal out of the ground, that does not mean that you have a lease for producing gas. That's the only thing we're trying to clear up here.

So we're not going into some new area here. When we talk about how coal bed methane is new, the only thing new about how we're handling coal bed methane is that it's new technology, and we have new technology that we apply to other kinds of gas wells. For instance, when we first starting fracturing by putting chemicals down

there, that was a new technology. When we first produced gas by putting explosives down there, that was a new type of gas. All the tertiary recovery is new technology. Similarly, as we produce natural gas out of this particular seam that just happens to be coal, again, it is new technology, but essentially we have exactly the same kind of lease structure as we always had.

Now, there were also some questions in terms of how water is used. Again, we are producing natural gas. Okay? All of the rules we have that apply to a coal seam or that apply to sandstone or that apply to whatever type of formation we normally get the natural gas out of also apply to coal. So in terms of how we handle the water, in terms of how we handle salt water or if there's any potable water, again, that is just standard natural gas production.

Thank you.

9:40

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

Mr. MacDonald: Thank you very much, Mr. Chairman. Now, again to the hon. Member for Calgary-Bow: does Bill 18 limit or restrict coal bed methane production to a certain depth? As I understand it, the potential from coal beds varies in this province anywhere from 20 feet to 3,000 feet, and anything below 3,000 feet would be economically . . .

The Deputy Chair: Hon. member, I'm just being advised that you may want to clear room where your speaker is so that your voice can be picked up for *Hansard* purposes.

You may proceed.

Mr. MacDonald: Okay. Sorry. I apologize, Mr. Chairman.

Now, there are many different coal beds that have potential in this province, and I am of the understanding that the only ones that are going to be dealt with in this legislation are the ones that are Crown tenure. Do we also need to address the issue of private tenure at the same time? If we're going to develop this industry, like I hope we do, let's do it right. But I am perplexed as to the definition of – I could be misunderstanding you, and I apologize if I am – a production zone and the gas calculation and the respective royalty calculation that would go along with that. You can have a well with multizone production in different zones, but with coal bed methane gas how exactly is all this going to work?

There are still some technical questions surrounding this bill that I don't feel are satisfactorily answered. Particularly, is Bill 18 here too limited in what it's attempting to do to enhance coal bed methane exploration and production? When we look at all the issues, I don't know if we have addressed them in this bill: the technical issues, the issues of land access and tenure access. I'm not satisfied that this is the answer. Water disposal and diversion issues. Certainly, the farmers in Camrose last week had concerns around the issue of water and water disposal. Fortunately, our research indicates that the coal seams in Alberta do not nearly have the water that they do in America. Hopefully, we won't have any thought even of surface discharge in this province, and we will have injection of this water perhaps into a formation that was producing oil and is now in a mature state of production, and we could use that for enhanced oil recovery.

We discussed this earlier, at second reading, but there are other issues surrounding this. We know that coal bed methane developments at this point are high risk. There's a lot of capital involved. Certainly, I think you can drill a well quite quickly. You're not going to the depth that you're going to, say, in the foothills front area. What would the proximity of one well to another mean to private landowners? I understand that you need vast tracts of land to make all this work.

So when investors look at this, the only thing I can say in conclusion at this time in committee is: where will they take their investment dollars? I think there are still some questions legally that need to be addressed in regard to this bill, and perhaps there is a solution to this. I would certainly be willing to discuss it with the hon. member and all hon. members of this Assembly, because we want to be on a level playing field with our neighbours in British Columbia. Certainly, the hon. Minister of Energy talks of a level playing field in the electricity deregulation market. This is also an application that would be noteworthy, and that is to have a level playing field with the coal bed methane industry in Alberta, the same as what the government of British Columbia is implementing with their Bill 16, the Coalbed Gas Act.

I'm not sure exactly where we're going with this bill, and I think that in order to exercise caution, unless my questions are answered satisfactorily – and if they can't be answered tonight, well, then at the next appropriate time – I don't think we should proceed to move this bill through committee until the questions surrounding the ambiguities are resolved.

Thank you, Mr. Chairman.

[The clauses of Bill 18 agreed to]

[Title and preamble agreed to]

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

Some Hon. Members: Agreed.

The Deputy Chair: Opposed?

Some Hon. Members: No.

The Deputy Chair: Carried.

[Several members rose calling for a division. The division bell was rung at 9:49 p.m.]

[Ten minutes having elapsed, the committee divided]

[Mr. Shariff in the chair]

For the motion:

Ady	Goudreau	Maskell
Amery	Graydon	Nelson
Boutilier	Griffiths	Oberg
Calahasen	Hancock	O'Neill
Cao	Hlady	Pham
Coutts	Jablonski	Rathgeber
Danyluk	Klapstein	Smith
DeLong	Kryczka	Stevens
Doerksen	Lord	Tarchuk
Ducharme	Magnus	Woloshyn
Dunford	Mar	Yankowsky
Fritz	Marz	

10:00

Against the motion:

Blakeman	Mason	Massey
MacDonald		

Totals: For – 35 Against – 4

[Motion to report Bill 18 carried]

Bill 32

Income and Employment Supports Act

The Deputy Chair: Are there any comments, questions, or amendments to be offered with respect to this bill? The hon. Minister of Human Resources and Employment.

Mr. Dunford: Yes, Mr. Chairman. Thank you very much. In second reading I think I described basically the idea of this whole bill in the reform of the delivery of social assistance. However, I do at this time want to bring forward a government amendment to Bill 32. I guess it will be circulated; will it?

The Deputy Chair: It is being circulated. If you would just hang on for one minute, please.

Mr. Dunford: Okay.

The Deputy Chair: Hon. minister, you may proceed.

Mr. Dunford: Okay. Really, this is a routine amendment in the sense that all we are doing is changing the phraseology as it exists throughout the act. What it is, Mr. Chairman, is that the bill is amended as follows: in the following provisions “family unit” is struck out wherever it occurs and “household unit” is substituted.

Now, it doesn't change the way in which we calculate benefits or infer benefits, anything like that. It is just simply that since the Adult Interdependent Relationships Act has been proclaimed, it's our view that the term “household unit” is more encompassing and more inclusive than “family unit.” It's with that, Mr. Chairman, that we offer this amendment, and I urge all members to support it.

The Deputy Chair: On the amendment, the hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Yes, please, Mr. Chairman. If the Minister of Human Resources and Employment at this time could clarify and provide a definition of “household unit.” Or is it going to take the same definition as in part 2, Income Support and Health and Training Benefits, division 1, section 6(3)?

The Deputy Chair: Anybody else on the amendment?

[Motion on amendment A1 carried]

The Deputy Chair: Anybody wishing to speak on the bill? The hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Thank you very much, Mr. Chairman. It's a pleasure to get to speak on Bill 32. Certainly, there have been indications from some quarters that this is a step in the right direction, but I believe that what the poor and the marginalized in this province need from this government is an increase in their benefit rates. This legislation may be an indication of the hon. minister's efforts to try in some way to improve the legislation for income and employment support programs, but the first thing that needs to be done is to recognize that for the 30,000-plus households in this province a \$20 per month increase starting in June is not adequate.

Mr. Chairman, we are looking in this bill at improving the accountability for training service providers, we are attempting to help people on income support move into the workforce, and we are, as the hon. Member for Edmonton-Centre has previously stated,

eliminating the Widows' Pension Act in about two years. But whenever we look at the training-on-the-job programs and the fact that Alberta and Canada formed the labour market development agreement initially in 1997 – and there have been evaluations, as far as I know, continuing through 1998, 1999. I'm not satisfied that those evaluation programs have been satisfactory. Certainly, there have been hundreds of millions of dollars transferred, and some people have advised me that it is their view that Bill 32, the Income and Employment Supports Act, is a means of enhancing the privatization of the delivery of not only training-on-the-job programs but other portions of the entire income and employment supports programs. Now, I don't think this would be necessary, and if this is not correct, I would appreciate an explanation from the minister in regard to that.

We are looking at the training-on-the-job programs, and we don't know if they are working or whether they're not working. I tried through freedom of information, and I thought the information was so hard to come by that it was inconclusive as to whether or not these programs were working. As I said earlier, we are spending significant amounts of money on them, but I have to accept the fact that the information has not been provided to me. Tax dollars have been spent, and I cannot confirm that the dollars are going to groups that need it the most and that the dollars are being well spent.

There are many other aspects certainly of Bill 32, but like a lot of other pieces of legislation that we deal with here, there are going to be regulations. This is a government that is fond of governing by regulation. Who will write the new regulations for this legislation, Mr. Chairman? As all Albertans well know, this government has no, as they say, set-in-stone process to ensure that the wills, shalls, and mays of regulatory documents meet the needs of Albertans. Will the very individuals that require the assistance have input into the regulations so that their needs are met quickly and efficiently so that these citizens will not have to wait and try to apply a regulation to their individual circumstances? Also, will there be open access to the regulations in a variety of public places so that the public knows and understands what is available?

10:10

The market-basket measure: has that been officially adopted by the government? There are many people that have opinions in regard to the market-basket measure, but when we are laying the groundwork for this new bill, I think that the government is trying to find a way to link welfare rates with the actual cost of living in different parts of Alberta. This has been discussed in this Assembly many times by various members. How will this work? Is it actually, Mr. Chairman, government policy? If this is to work and to implement this, a new poverty measure has to be developed by not only the provincial government but the federal government and perhaps even some of the municipal governments. Certainly, the city of Edmonton and the city of Calgary, I think, would have interest in this. If we were to have this market-basket measure, it's very important to recognize and to realize that what's more important than the measure is what's in the basket. What exactly are we going to put in this basket?

I understand that there's a motion coming. Hopefully, we'll get a chance to have a discussion and to debate this motion during this current session, Mr. Chairman. This market-basket measure will allow SFI rates to vary from place to place, and it will be based on local costs. Some of these local costs would certainly include rent, transportation, the average cost of a basket of groceries, et cetera. Since this market basket only measures the absolute cost of a particular basket of goods, it is going to allow us to limit our social contract with lower income people.

This concern has been raised by a number of people, including

people over at the Edmonton Social Planning Council. They are of the opinion that unlike previous relative measures of poverty, the market basket "doesn't measure how low-income people are fairing in comparison to the average income." They go on to say, "Instead, it helps to free us from any responsibility to equally share Alberta's growing wealth with the poor," and adopting the market-basket measure "will further erode our sense of community and undermine our commitment to equality."

Now, they also caution that "ironically, we will all be worse off with the introduction of this" market-basket measure. "Based on numerous international studies, increasing inequity in Alberta will lead to poorer health outcomes for all Albertans, not just people with low incomes." That's quite interesting because certainly the Edmonton Social Planning Council has a great deal of insight into the whole issue of poverty and poverty-related issues, and I would encourage hon. members to consider their research and perhaps pay heed to some of what they say at least.

Now, if the market-basket measure has been officially adopted by the province, will the government recognize that there are many families and individuals in this province that do not have sufficient funds to provide this nutritious food basket? I can't understand how we can expect people who are receiving minimum wage to be able to provide this nutritious food basket, and if the proposed target, the minimum level of supports to low-income Albertans, is adopted, what about others who are within \$50 to \$75 of that minimum level? How will this affect them?

The market-basket measure establishes the minimum income required to purchase a basket of goods, and whenever we're talking about housing, food, clothing, transportation, personal hygiene, household supplies, furniture, telephone service, and some reading, recreation, and entertainment, we cannot forget, Mr. Chairman, about the cost of utilities. Natural gas and electricity have just been through the roof, as we all know, skyrocketing prices for electricity and natural gas, and I wonder if any effort is going to be made to reflect those high costs because of energy deregulation in this market-basket measure.

What is the target minimum level in dollar figures? Is there a sliding scale for the location of the individuals or families requiring support? What's the cost of a loaf of bread in Fort McMurray versus a loaf of bread in Medicine Hat or the cost of utilities in Medicine Hat in comparison to Edmonton or Calgary? Certainly, Medicine Hat was wise enough to be cautious about energy deregulation. Many of their utilities are very modest when you compare them to the rest of the province, and that certainly would be interesting.

Now, if one is to look at a recent Alberta Agriculture, Food and Rural Development survey, this shows that SFI clients receive a range anywhere between \$524 and \$575 for rent or mortgage, taxes, insurance, et cetera, and for food, \$379 for one parent and three kids. Now, the cost to feed a family of four in November 2002 averaged between a low of \$547 and \$580 in four communities in southern Alberta, so something has to give there if that parent and three children are going to have adequate food, and that indicates to me that there's not enough money to go around. This is from Alberta Agriculture, Food and Rural Development, a recent survey that's two months old.

Also, in discussing Bill 32, can the minister reveal the five different community types that the market-basket measure has been based on? What assumptions were made? Are there already services provided in these community types? If they are not, will the government make sure that these basic services are available in all communities to fit the community-type profile? Again, can the minister elaborate on what the government believes basic needs are and elaborate on what building block will be in place to meet the different needs?

Now, in regard to shelter can the minister elaborate on what flexible funding will be available to low-income families that are only able to access shelter in older, less energy-efficient housing? Most housing that is available for low-income families is old and often in need of repair. The people least able to pay and least able to change their circumstances are the very ones who find themselves paying the highest bills. Will landlords be providing upgraded facilities with energy-efficient furnaces and appliances at the same low rates as part of the basket measure? I would be surprised if they do. I think not, but I've been surprised before, and maybe they will.

10:20

Further, on the whole issue of utilities we need in discussion of the market-basket measure – where are the automatic rebates for these individuals faced today with the decision of food or paying utility bills? How is all this working out? Trickle flow is becoming a reality in this province because of energy deregulation and for no other reason. We are aware that low-income households can receive relief but only if they have received a cutoff notice. I don't think that's necessary or in the public good or in the interest of the public.

The problem is the fact that they have to wait for the cutoff notice to get relief. These notices don't have a long turnaround time before action is taken to proceed with the cutoff. Often individuals cannot make contact with a worker before cutoff happens. The government answering machine suggests another number if it is an emergency. This type of runaround takes energy and adds to a stress level that is often the undoing of most to cope with the problem, and they sink further instead of moving up.

If we are to try to assist these low-income families and we tell them their house is going to be secure, why do they have to go through the mental stress and anxiety of losing their utility services? Why would there not be an automatic government intervention? After all, the government is well aware of the volatility of the cost of these utilities and who should be receiving benefits. These very individuals are hard pressed to meet their basic needs on a daily basis without the pressures that they have no control over.

At the same time, I would like to know, as we're going through this, how many directors' orders have been issued to provide temporary relief to those who cannot pay for their utilities because of the skyrocketing costs and their benefit amounts being so modest. Certainly, I think there are a lot of people within the Department of Human Resources and Employment who are working very, very hard and doing their best with some very limited resources.

Now, the food. We need to ask the following and consider the following in discussions on the Income and Employment Supports Act. Does food include access to healthy eating and nutrition counseling? Will the building blocks factor in the cost of fresh fruits and vegetables when seasonal weather conditions in the production regions affect the price of the products? Study after study is showing that unless the low-income individual can receive or access meats, fresh fruits, and vegetables, they become part of the most expensive users of the health care system. Is the hon. Minister of Human Resources and Employment prepared to ensure that the hand-up approach meets all the variable needs of the low-income groups in a prevention manner that will decrease the number of people needing food banks and expensive medical interventions?

Mr. Chairman, also the counseling and knowledge of benefits available. Will this legislation ensure that there are enough social workers to meet the demands of those needing assistance? At the present caseloads this is not, in my view, possible. Personal, face-to-face interaction with a worker is needed for the clients. Many need hands-on guidance to fill out forms, access service, and acquire benefits, equipment to best fit their needs. Now, counseling and

knowledge of benefits available would also ensure that clients are not kept in the dark regarding benefits that they are legally entitled to but somehow may have been overlooked. If a well-skilled researcher has trouble finding the information, how do those that are struggling with the most basic survival needs find that information? Will there be extra training provided for social workers to know what services are available in each community, and will these services be integrated to meet the individual client needs?

The Deputy Chair: The hon. Member for Edmonton-Highlands.

Mr. Mason: Thank you very much, Mr. Chairman. I'm pleased to rise to speak to Bill 32, the Income and Employment Supports Act. This bill represents the government's response to the low-income program review, and it allows the creation of regulations to build a replacement program for supports for independence, the skills development program, and the widows' pension. The legislation, as is so typical of government legislation these days, is essentially a shell with most details being established through regulations drawn up by cabinet. It's my understanding that this particular piece of legislation will not affect current benefit levels.

I think that the concern here is that the act does not represent the kind of breakthrough that we were hoping for in assisting people with low incomes. First of all, Mr. Chairman, we need to recollect that it is not an insignificant percentage of Albertans who are poor. In fact, I think roughly 20 percent of Albertans are at or near the poverty line. Notwithstanding the economic benefits for many in our society, there is a significant portion, and it may be somewhat less than 20 percent. Nevertheless, it is a significant fraction of Albertans that live in poverty.

It is not limited to the big cities. They certainly have their share, and a number of us on both sides of the House represent constituencies with a significant number of poor people. We're very familiar with those programs, but it's not limited to that. A study done a few years ago by the Alberta Urban Municipalities Association showed that significant levels of poverty exist throughout Alberta in smaller cities, in towns, and in the countryside. So it's not limited to the big city.

Now, there was a concerted effort made by the government to try and address this through the low-income program review, and we asked a number of organizations that work with various government programs and work with low-income Albertans what they thought of it. The results were interesting. Generally, the concern first and foremost was that key decisions will be in the regulations and that these are not subject to public scrutiny. The question is: does it really mean that the benefits are discretionary, and are they going to be affected, therefore, by budgetary pressures?

We've seen this in this Assembly a number of times when certain programs – for example, some programs directed at at-risk youth and aboriginal children – were cut when the Provincial Treasurer feared about a year ago or so that she was going to face a deficit, and under all of the legislation that Alberta was so proud of at the time, the poor Provincial Treasurer might have to go to jail if she ran a deficit. I'm being a little facetious there, Mr. Chairman, but certainly the act made running a deficit illegal. So these programs were suddenly cut because the price of oil and gas went down.

I will give the government credit; they have taken some steps to mitigate that pattern, but it has been, I think, an appalling pattern in the past that the various programs went up and down like a yo-yo alongside the price of natural gas. So that's a concern to these low-income organizations.

10:30

Because things are placed in regulation, it's very difficult for people to launch appeals. Having details in the act is essential for

appeals. You can appeal policies and you can appeal decisions but not regulations, and there needs to be some potential in the act for the benefits. Otherwise, you cannot appeal the decision to deny them.

There are a lot of questions about what the benefits are actually going to be, and I'm going to be offering an amendment to help clarify this a bit later, Mr. Chairman. Do benefits include transportation? Do they include recreation? A question the minister might want to ask is whether or not the financial benefits workers will have caseloads such that they will actually be able to address recipients' individual needs.

Now, section 2 defines the purposes of the act as providing "programs for persons in need for . . . requirements." The list does not include things like heat, light, and water, which were explicitly included in section 1 of the Social Development Act. That they have been excluded from this act makes me nervous, Mr. Chairman. Is it deliberate? Again, we will be offering an amendment later this evening on that.

Questions arise about what will be included under health benefits. Will psychological counseling be included? Will substance abuse counseling be included? These are things that I hope the minister can help us with in this.

Now, there's a strong emphasis on training, and that's good in many cases, but it's not appropriate for all recipients. What about people who will never be independent? If someone admits to being able to work, they currently lose benefits, which encourages people to say that they are unemployable. There's no longitudinal commitment to employment support. Recipients receive short-term support and then are expected to be independent. Many of the training programs are not for high-quality jobs and are not readily available to clients who want training. There's a bit of a culture of denial here, Mr. Chairman. The minister overseeing labour and social services I think tends – and it's reflected in the act – to view the recipients of this assistance as a pool of potential labour, and that's not necessarily always appropriate. Some people just need help, and they are not ever going to be in a position where they can move on to being fully self-sufficient.

In section 16 there are some requirements for recipients to pay back benefits. Now, I don't know if this is following the current practice of requiring payment of benefits when other sources of revenue become available for the same time period. I'd like to have the minister clarify this for us, and again we are considering an amendment for this section.

Mr. Chairman, the act will not address the main problems faced by low-income Albertans, and that includes a few things. First of all, the lowest minimum wage in the country. Certainly, we're one of the provinces with among the higher costs of living, yet we have the lowest minimum wage at \$5.90. If you compare that with our two neighbouring provinces, it's \$8 an hour in B.C. and \$6.65 in Saskatchewan. So that's a significant concern. I know that some members have argued in the past. . .

Mr. Smith: What's the unemployment rate?

Mr. Mason: I hear the Minister of Energy making the argument that because there's a low unemployment rate in this province, we don't need to fiddle with the low minimum wage, because everybody is working. Well, not everybody is working, Mr. Chairman, and not everybody is being paid above the minimum wage in Alberta. I could turn the argument around. If the minimum wage in Alberta is irrelevant because the market has already outstripped it and people are paying higher wages than \$5.90 an hour, then what's the problem with moving up the minimum wage? The minimum wage should not

be set according to how many people are working and for how much at a given point in the economic cycle affecting the province. The minimum wage should be set at a rate that will in effect give people a certain amount of dignity and the bare essentials that they need to survive. That's how it should be set, and any other argument I think is specious.

Of course, we know that the high costs of energy in this province have contributed greatly to problems at all levels. It's like a giant rock which has been cast into a still pool, and the waves are going out in every direction, Mr. Chairman. It's not only affecting the average working person or professional people or businesspeople or farmers. It's affecting every sector. It's affecting the public sector, and they, of course, are forced to pay these high, outrageous prices for electricity as well. For example, some universities have given an indication that recent tuition increases are driven in part due to increases in electricity prices and natural gas.

We did a fairly extensive survey of rural municipalities. I know that when the Minister of Municipal Affairs answered my question, he was somewhat confused about who we had actually sent this to and believed that we'd sent it to all municipalities in the province, over 300. In fact, we sent it only to the rural municipalities, so our response rate was fairly respectable, and I could suggest to the minister that since we asked those questions, we've had a continuing trickle of responses from the rural municipalities in this province. I know the Premier would like to say that we in the New Democrat opposition ignore rural Alberta. Well, it's true that we have only two MLAs, but we're doing our level best to try and represent the people in rural Alberta. They have a set of problems that are serious, and they share with urban dwellers the increasingly intolerable burden of sky-high electricity prices, Mr. Chairman.

We've heard that from the rural municipalities, who've indicated to us that they have had to increase taxes to pay for higher power bills. They've had to cut municipal services to pay for higher power bills. You know, they're closing facilities, they're cutting back on programs, they're jacking up the property taxes, all of which is hitting people in the pocketbook. Of course, this hits the poor among our society the most severely, Mr. Chairman, so I want to get back to this particular question. Energy prices are not only intolerable for middle-class and upper-class Albertans, but in particular they are intolerable for low-income people. Again, this policy error on the part of government with respect to electricity deregulation is reverberating throughout the entire society in Alberta and affecting every government department, including the Minister of Human Resources and Employment and his department. He has to compensate for this, just like the Minister of Learning has to compensate for it, just like the Minister of Municipal Affairs has to compensate for it, just like the Minister of Health and Wellness has to compensate for it in his department. So this mess is being felt right across the government and right across society.

Now, social assistance benefit levels are, of course, a key factor in the problems which are faced by low-income Albertans, and social assistance benefit levels are well below the cost necessary for healthy living in our communities. The cost of healthy living for a single parent with two children has been calculated by the Edmonton Social Planning Council at \$1,471.20 per month in the year 2000. This compares to the \$851 that same parent would receive from SFI, including the \$20 increase announced in April. Of course, Mr. Chairman, people that do work with low-income people consider this \$20 almost contemptible, as just totally inadequate to deal with the problems.

10:40

Another thing, a serious one, that creates problems for low-income Albertans is the tight housing market, with rental vacancy rates of about 1 percent in many major centres, including Edmonton,

Calgary, and Fort McMurray, and rents to match, Mr. Chairman. The average rent for a one-bedroom unit is \$533 in Edmonton, and for a two- or three-bedroom unit the average is \$742. A single parent with two children would receive \$428 for a rental allowance, an affordability gap of \$105 even if they live in a one-bedroom unit. Now, that means that those people are forced into substandard accommodation in order to make their rent payments. You know, we've had lots of issues with that, and certainly those of us that have represented inner-city communities or served on municipal councils and so on are well familiar with the role that slum landlords play in assisting the government to maintain rental allowances which are so far below the needs of the people who depend on them.

The main concern of people on SFI and the agencies that work with them is the level of benefits. The lack of attention to this issue in our view represents a clear lack of commitment to address the issues of poor Albertans. The lack of details in the act makes it impossible to address the adequacy of the act to improve low-income programs in any detailed way.

So, Mr. Chairman, those are my general comments with respect to the bill. I have some amendments, and I would like to take your guidance. Shall I let other members speak, or shall I proceed with the amendments at this time?

The Deputy Chair: Hon. member, I don't have a copy of the amendment that you have, so if you wouldn't mind waiting a minute while it's being circulated.

Mr. Mason: Okay. I have four amendments, Mr. Chairman. The first one . . .

The Deputy Chair: Hon. member, you have to move before you can distribute the amendments.

Mr. Mason: Okay. Then I will move, Mr. Chairman, that Bill 32, the Income and Employment Supports Act, be amended as follows. Section 5 is amended by adding the following after subsection (2):

(3) On or before April 1 each year, the Minister shall review the income support payments provided under this Division in conjunction with the Consumer Price Index for the previous calendar year and make a recommendation to the Lieutenant Governor in Council as to whether a cost of living increase is required.

You told me to move it, so I did.

The Deputy Chair: You may proceed.

Mr. Mason: Thank you very much, Mr. Chairman. This amendment would require that the government review benefits for low-income Albertans each year with consideration to a measure of inflation similar to that used to adjust the remuneration of MLAs. Income support payments would continue to be set by regulation but would not be subject to annual review.

Mr. Chairman, our preference was clearly to require an increase at least equal to inflation for these benefits, but private members cannot propose amendments requiring expenditures by the government. So that approach was excluded, and for that reason we have come up with this proposal, which would require the minister to conduct a review, which specifically mentions the consumer price index as a benchmark that the minister should use and then provides for the minister to make a recommendation to Lieutenant Governor in Council as to whether a cost of living increase is necessary.

The Deputy Chair: Hon. member, before I recognize any other

speakers, I'm just wondering if you have the original copy of the amendment that has been circulated, because that's what I need.

Mr. Mason: It was on the top of the pile, Mr. Chairman.

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

Mr. MacDonald: Thank you very much, Mr. Chairman. In regard to the amendment as proposed by the hon. Member for Edmonton-Highlands, I would certainly encourage all hon. members of this Assembly to support this amendment. I think it is a very good idea. Certainly, it is very similar to something that was proposed in this Assembly three years ago to enhance and protect the disposable income of those Alberta seniors who were eligible for the Alberta seniors' benefit and were caught in a squeeze at the end of every month because of the diminishing amount of their disposable income.

Certainly, if we were to review income support payments provided on an annual basis, I think it would be a step in the right direction when everyone considers that it's been 10 years, really, since the provincial government cut the supports for independence or welfare rates by 20 percent as a cost-saving measure, and over the same 10 years the poor in this province have suffered tremendously in my view. Their suffering is increased because inflation has robbed them by close to a further, it has been reported, Mr. Chairman, 25 percent in purchasing power.

These statistics alone cannot start to describe the difficulties that are hidden behind these figures. Certainly, many people on SFI feel frustrated and are struggling with rapidly escalating utility prices and rents, and we know that the food bank is being used and visited quite regularly because many of the people who are receiving benefits do not at the end of the month have enough food to provide for their families or their children.

Now, certainly, the answer to this is in legislative initiatives such as this amendment to Bill 32 that has been circulated by the Member for Edmonton-Highlands. I think it is a very, very good amendment, and I would encourage, in conclusion, Mr. Chairman, that all Members of the Legislative Assembly consider the merits of this. I guess if it's good enough for the goose, it's good enough for the gander, as they say, and it would certainly make it much better for Albertans when you consider what we've been through in the last 10 years and the fact that in that time the federal government introduced the national child benefit supplement to fight child poverty. Our government here saved more money by clawing back the supplement from some of the SFI cheques, and when you consider that, it is another reason why we should support this amendment.

Thank you.

10:50

Mr. Dunford: The hon. Member for Edmonton-Gold Bar is just so off the mark all the time. He knows very well that we didn't do that. It wasn't allowed to do that. If you took something away from the income support from the federal government, you had to put it right back into children of people of low income. So we need to clear the record on these things.

As far as the amendment, I can understand where the member is going on this, but in the consumer price index he picks an index that has been in use for quite a number of years, and even now Stats Canada recognizes its limitations if it's to be used for certain aspects. So what is contemplated is the fact that we will identify a low-income measure, and then we will start to get into a debate, I would think, both here in this Chamber and also throughout the province

about what percentage of that low-income measure should we be basing our income assistance at.

Right now the leading candidate for that low-income measure is something that's called market-basket measurement. Market-basket measurement is being investigated by Stats Canada as we speak, and we are told that we can expect some time later this spring or into the summer some of the first preliminary calculations as to market-basket measurement that would apply, then, to the various categories that would exist here in our province. So I think that there are other measures that are going to be better than a consumer price index.

On that basis, I would urge all members of the House to vote against this amendment.

Mr. Mason: Briefly to close, Mr. Chairman, I appreciate the minister's point that there might be better indices that could be used and that they may be in the future. However, we are at least making an effort to find a way in which the benefits for people of low income can be geared to the actual cost to live which they have, and this is I think very important. It's obviously been recognized by the members of this Assembly because they provided the same process for themselves, for their own wages, and we all know that our wages in this place are tied to the average weekly earnings index in the province. We were looking for something that wouldn't be tied so much to what people are earning but to how much they needed to live, which I think is more consistent with the government's philosophy that nobody should get a nickel more than they need if they're dependent on government assistance.

You know, there's no reason we cannot pass this, and then when the minister has better measures, we could amend the bill and we could put those better measures in. I didn't hear the minister say that we would index or tie supports to these better indices. He just says that they're coming along, so we shouldn't pass this now. Well, if he had made a commitment to tie it to the market-basket measure in the future, that would have been very satisfactory to us and we would have been prepared to withdraw the amendment. But I didn't hear that from the minister, and the fact that this is not the very best index in the world should not stop us from trying to establish the principle that when people's living costs rise, their assistance should as well.

Thank you, Mr. Chairman.

[Motion on amendment A2 lost]

The Deputy Chair: The hon. Member for Edmonton-Highlands.

Mr. Mason: Thank you very much, Mr. Chairman. I have another amendment, which I will now move, that Bill 32, the Income and Employment Supports Act, be amended as follows: section 2 is amended by adding "heat, light, water, clothing and other" after the word "shelter."

The Deputy Chair: Hon. members, the amendment that is now being circulated shall be referred to as amendment A3.

You may proceed.

Mr. Mason: Thank you very much, Mr. Chairman. This is quite straightforward. If you read section 2, which is the section dealing with the purpose of the act, it says:

The purpose of this act is to provide programs for persons in need for such of their requirements for food, shelter, personal items and medical and other benefits as are essential to their health and well-being and, in particular, to provide training and other measures to facilitate their movement toward independence and self-sufficiency.

Now, this was one of the points that was brought to our attention, Mr. Chairman, when we consulted with low-income groups and organizations, and they are concerned that while these items contained in the amendment are listed explicitly in section 1(a)(i) of the Social Development Act, they are absent from this act. So in order to make sure that these things are taken into account in the act, in its administration of the program and the calculation of benefits and so on, we believe that it's important to explicitly mention that heat, light, water, and clothing are all essential ingredients for living and ought to be included in the act. I think that if they were, it would give considerably more comfort to people dependent on government financial assistance.

Thank you very much, Mr. Chairman.

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

Mr. MacDonald: Yes, Mr. Chairman. At this time I would like to urge all members of this Assembly – I believe this would be amendment A3 as proposed by the hon. Member for Edmonton-Highlands – to take a great deal of interest in this, and in light of the high cost of utilities I think it is very important that heat and light and water and clothing, particularly in light of the minister urging everyone to wear a sweater, be incorporated into Bill 32.

Mr. Smith: I still have my integrity.

Mr. MacDonald: I'm sorry?

The Deputy Chair: Hon. member, you have the floor.

Mr. MacDonald: Thank you very much, Mr. Chairman. There are many issues surrounding utilities that everyone in this Assembly is aware of, and the idea of heat and light incorporated into Bill 32 is commendable.

With that, I would urge all members of this Assembly to accept the amendment. Thank you.

Mr. Dunford: I would urge members to not approve A3. It's redundant. Certainly, under personal items you would include, of course, clothing, and shelter could hardly be defined without heat, light, and water. So because of its redundancy I'd urge all members to vote against it.

Mr. Mason: To close on the amendment, Mr. Chairman. Well, I'm disappointed. Obviously, the Social Development Act does not consider these points to be redundant, and I think that the key point here is that if they're explicitly included in the legislation, then they can form a strong basis for an appeal on the part of individuals who need these costs to be covered. Without their explicit presentation in the act, there could in fact be little room for an appeal of the decision if the various appeal bodies did not want to take those into account. So I think there's real value in including this, and I am disappointed that the minister will not support it.

Thank you.

[Motion on amendment A3 lost]

The Deputy Chair: The hon. Member for Edmonton-Highlands.

11:00

Mr. Mason: Thank you very much. Mr. Chairman, I have another amendment to move. I will move that Bill 32, Income and Employment Supports Act, be amended as follows: section 44 is amended

by striking out clause (d). Section 46 is amended by adding the following after subsection (3):

(4) The person who made the decision appealed from is not eligible to sit as a member of an appeal panel considering an appeal respecting that decision.

(5) The Administrative Procedures Act applies to proceedings of an appeal panel under this section.

Section 48 is amended by striking out clause (c).

So, Mr. Chairman, if I can proceed. Again, this is intended to bring the legislation into line with the current practice under the Social Development Act. The amendment will provide additional protection for recipients by ensuring that the person who made the decision being appealed cannot sit on the appeal panel, that the appeal panel has the freedom to change the decision within the confines of the act, and that the government power to exclude matters from appeal is limited to those.

All this is consistent with current practice. Indeed, the wording of part B, amending section 46, is taken directly from the current act, Mr. Chairman, so it's not a wild fantasy of the opposition and, I think, can be supported.

Thank you.

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

Ms Blakeman: Thanks, Mr. Chairman. I'm willing to stand in support of this amendment brought forward by the Member for Edmonton-Highlands particularly because it is dealing with what appears to be a conflict of interest, because people are very clear on who is sitting on these panels and what their background is to be sitting on the panels. We don't want any perception of impropriety around these appeal panels. They certainly are dealing with issues that are regarded as very important by those that have come before them, so I think it behooves all of us to make sure that justice is done but also seen to be done. So I'm more than willing to support this amendment as it stands before us.

Thank you.

Mr. Dunford: The opposition seems to have the mistaken notion that it's our employees that sit on appeal panels. It is not. These are people that come from the community, so there's no need for the amendment. I'd urge all members of the Assembly to vote against A4.

The Deputy Chair: Hon. members, the amendment that is before us is amendment A4.

[Motion on amendment A4 lost]

The Deputy Chair: The hon. Member for Edmonton-Highlands.

Mr. Mason: Yes, Mr. Speaker. I would like to move my final amendment for this evening, and that is that Bill 32, Income and Employment Supports Act, be amended as follows: section 16 is amended (a) in subsection (2) by adding "Subject to subsection (2.1)," before "The Director may"; (b) by adding the following after subsection (2):

(2.1) A requirement to reimburse the Government under this section shall only be applied to an applicant, a recipient or a member of a household unit when the applicant or recipient has received income from another source for the time period that the applicant or recipient was receiving benefits under this Act.

I will note that this amendment is consistent with the minister's amendment changing "family unit" to "household unit."

Section 16 replaces the following section from the Income

Support Recovery Act. The only difference is that now the repayment could be a condition of eligibility.

Repayment of social allowance

26(1) A person who applies for or is receiving a social allowance under the Social Development Act may be required by the Minister to enter into an agreement with the Director to repay the Government the total value or any portion of the total value of the social allowance provided for that person and that person's dependants.

(2) This Part applies to an agreement made under subsection (1) as if the amount due under the agreement were an overpayment.

I believe this section may be to require SFI recipients to repay benefits when another program should have been supporting them and they received back pay. For example, an injured worker may go on SFI while appealing WCB. When they win, they will receive backdated benefits from WCB and are expected to repay SFI. This is the case now, so at the very least I think the minister should go on record as to what is intended under this section. Without the amendment the next minister could just simply change the practice, Mr. Chairman, and that's a problem.

A number of groups have raised concerns about section 16 without the amendment. They are concerned that the government could require people to pay back benefits in many circumstances, which would force them to carry their poverty forward into the next stage of their lives. So I think the amendment would put those fears to rest, Mr. Chairman.

Thank you.

The Deputy Chair: For the record this amendment will be amendment A5.

Does anybody else wish to speak on the amendment?

[Motion on amendment A5 lost]

The Deputy Chair: Does anybody else wish to speak on the bill?

[The clauses of Bill 32 as amended agreed to]

[Title and preamble agreed to]

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

Hon. Members: Agreed.

The Deputy Chair: Opposed? Carried.

Mr. Hancock: Mr. Chairman, I would move that the committee rise and report bills 18 and 32.

[Motion carried]

[Mr. Shariff in the chair]

The Acting Speaker: The hon. Member for Olds-Didsbury-Three Hills.

Mr. Marz: Mr. Speaker, the Committee of the Whole has had under consideration certain bills. The committee reports the following: Bill 18. The committee reports the following with some amendments: Bill 32. I wish to table copies of all the amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

The Acting Speaker: Does the Assembly concur in the report?

Hon. Members: Agreed.

The Acting Speaker: Opposed? So ordered.

head: **Government Bills and Orders**

head: Third Reading

Bill 5

Line Fence Amendment Act, 2003

Mr. Goudreau: It's my pleasure to move third reading of Bill 5, the Line Fence Amendment Act, 2003.

As I've pointed out before, the concept of the Line Fence Act is very simple, and I just want to speak on it very, very briefly because the last time we talked about it was on March 5 in Committee of the Whole. The Line Fence Act has been very effectively applied to a great number of instances where a fence has benefited two rural neighbours. This amendment ensures that the Line Fence Act will not be used in situations where it was not intended. This bill, Mr. Speaker, contains clarification which will prevent urban residents from citing the Line Fence Act in urban situations.

I would like to thank all the members for their support and for all the support that this bill has received. Previous debates have covered the nature and purpose of this bill, so I won't expand on them any further. I ask members for their continued support of the Line Fence Amendment Act so that rural Albertans will continue to have access to a cost-sharing and dispute settlement framework for primary livestock fencing issues.

Thank you, Mr. Speaker.

11:10

The Acting Speaker: The hon. Member for Edmonton-Centre.

Ms Blakeman: Thanks very much. I just want to speak briefly in third reading to indicate the support of the Official Opposition for Bill 5, the Line Fence Amendment Act, 2003. It does restrict the circumstances under which a party to a shared line or fence may seek to have the cost of said fence shared between the parties. This is a very small change, but one that was obviously needed.

I prefer to see this sort of change come through as a bill that can be examined and debated rather than to put it through, for example, under miscellaneous statutes, but once we've had the opportunity to see it and circulate the change amongst the stakeholders that we know of in the community and it comes back with a positive reaction, we're very happy to support it.

Thank you.

The Acting Speaker: The hon. Member for Dunvegan to close debate.

Mr. Goudreau: No.

[Motion carried; Bill 5 read a third time]

Bill 7

Real Estate Amendment Act, 2003

The Acting Speaker: The hon. Member for Grande Prairie-Wapiti.

Mr. Graydon: Thank you, Mr. Speaker. I don't believe there were any questions in committee, strong support from the industry, and I believe the opposition member spoke in favour of this bill, so I would move third reading.

The Acting Speaker: The hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Yes. Thank you, Mr. Speaker. Certainly, in regard to Bill 7, the Real Estate Amendment Act, 2003, at this time I would like to thank the hon. Member for Grande Prairie-Wapiti for a consultation in regard to this legislation that goes back a couple of months now. When we look at this bill briefly at third reading, I think it is something that can be supported.

To allow the Real Estate Council to require members to retain records for three years after they leave the industry should not in the least be harmful. The notion of extending the length of time the Real Estate Council of Alberta can take disciplinary action against former industry members to two years and also bringing appraisers under the act's licensing and regulating provisions are in the view of this Official Opposition positive steps.

With that, I conclude my remarks at third reading on Bill 7. Thank you.

The Acting Speaker: The hon. Member for Grande Prairie-Wapiti to close debate.

Mr. Graydon: No. Thank you.

[Motion carried; Bill 7 read a third time]

Bill 4

Alberta Personal Income Tax Amendment Act, 2003

The Acting Speaker: The hon. Government House Leader.

Mr. Hancock: Thank you, Mr. Speaker. On behalf of the hon. Member for Medicine Hat I'd like to move Bill 4, the Alberta Personal Income Tax Amendment Act, 2003, for third reading.

It has had discussion at both second reading and in committee. It's a fairly technical act and essentially aligns with the federal Income Tax Act as required for our purposes.

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

Dr. Massey: Yes. I have a few comments at third reading of Bill 4, the Alberta Personal Income Tax Amendment Act, 2003. The majority of the changes, as has been indicated, are editorial in nature and offer some clarification or align the act with legislation.

We did raise a number of questions at second reading and in committee. We asked questions such as: what impact, if any, will this bill have on the amount of taxes that Albertans pay? Will the bill affect how Albertans' taxes are calculated? Will the amendments made to section 39 of this legislation affect the deduction level of an average Albertan? The question of why these editorial changes weren't made during the last session when changes to this same bill were made. We had a question about the impact these changes might have on the amount of revenue taken by the province. Also, a question about consultation: was there consultation with the federal government about the changes to make sure that they are aligned with federal legislation? Our last question was: how are Albertans going to be made aware of the changes? I think that those questions have been answered to our satisfaction, and we'll be supporting the bill.

Thank you, Mr. Speaker.

The Acting Speaker: The hon. Government House Leader on behalf of the Member for Medicine Hat to close debate?

[Motion carried; Bill 4 read a third time]

Bill 9**Mines and Minerals Amendment Act, 2003**

The Acting Speaker: The hon. Government House Leader on behalf of the Minister of Sustainable Resource Development.

Mr. Hancock: Thank you, Mr. Speaker. I'd move Bill 9, the Mines and Minerals Amendment Act, 2003, for third reading.

The Acting Speaker: The hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Yes. Thank you very much, Mr. Speaker. In regard to Bill 9, the Mines and Minerals Amendment Act, 2003, at third reading this evening, certainly we are looking at three main purposes to this legislation: to mandate unique identifier codes to help the tracking and enforcement of exploration projects, equipment, and companies; to allow inspectors of exploration projects increased powers; and to allow the wholesale adoption of codes from other industries into the exploration regulations. Also, the Mines and Minerals Amendment Act here is going to allow the minister to issue stop orders.

Now, there are certainly some reservations and some cautions in regard to this legislation. The amendment does some good clarification of the Mines and Minerals Act and gives bigger teeth to the enforcement of the act, including giving more power to inspectors. However, there are some problems I would like to note at this time with the amendment, Mr. Speaker. In regard to Bill 9 the automatic adoption of codes from other industries could be trouble, and there are far too many references to regulations whose contents, as usual, are unknown. Further, the amendment allows the minister to exempt virtually anything from the act and its regulations potentially undermining the purpose.

However, there are many positive attributes to the bill. It is unfortunate that it is encumbered with escape clauses and references to unknown regulations.

At this time with those remarks I will cede the floor to any other hon. colleague who would like to speak at third reading in regard to Bill 9. Thank you.

The Acting Speaker: The hon. Government House Leader on behalf of the Minister of Sustainable Resource Development to close debate?

[Motion carried; Bill 9 read a third time]

Bill 11**Auditor General Amendment Act, 2003**

The Acting Speaker: The hon. Member for Edmonton-Beverly-Clareview.

Mr. Yankowsky: Thank you, Mr. Speaker. I rise to move third reading of Bill 11, the Auditor General Amendment Act, 2003.

The Auditor General Amendment Act mandates a formal oath of office for the Auditor General, enhances the Auditor General's powers to call witnesses and outlines how to deal with those who don't appear, as well as filing of the Auditor General's reports in and out of session, among other things.

In closing, I want to again thank all those who spoke to Bill 11 in second reading and in Committee of the Whole, mostly in support of this important legislation, and I thank you for your anticipated support of Bill 11 in third reading.

11:20

The Acting Speaker: The hon. Member for Edmonton-Centre.

Ms Blakeman: Thank you very much, Mr. Speaker. I'm pleased to be able as a member of the Public Accounts Committee . . .

Mr. MacDonald: Oh, you're a member of the Public Accounts Committee too.

Ms Blakeman: Yeah, I am, and at this point I think I'm the longest sitting member of this current incarnation of it.

A couple of things that this bill was looking to do: establishing that the Auditor General has to take an oath of office, which would be administered by the Speaker. I think that in fact that might have been requested by the Auditor General. Certainly, we're willing to support that. It did clarify language around referring directly to Executive Council and the president of Executive Council instead of the Lieutenant Governor. That kind of clarification is always helpful.

We had sought legal clarification about whether some of the language that was in Bill 11 might have changed the relationship and the operation of the Public Accounts Committee. We have in the Official Opposition received back information that has satisfied our concerns, and we are therefore willing to go forward and support Bill 11, the Auditor General Amendment Act, 2003. We were concerned that there was a change in wording that would have changed both the reporting and the operation of the Public Accounts Committee and the ability of the Auditor General to work with the Public Accounts Committee.

I will note that the current Auditor General has been very active in helping to educate members of the Public Accounts Committee on how to better question and hold the government accountable and how to better be able to readily glean information from the Auditor General's report. He's been very active with that along with his staff, and I commend him for that. I think it's going to give us a better Public Accounts Committee in the long run, and that is going to serve both this Assembly and Albertans better in the future, I think.

So I'm happy to support this amending act, Bill 11, in third reading. Thank you.

The Acting Speaker: The hon. Member for Edmonton-Beverly-Clareview to close debate.

Mr. Yankowsky: I have no further comment, Mr. Speaker, except to call the question.

[Motion carried; Bill 11 read a third time]

Bill 8**Health Foundations Act Repeal Act**

Mr. Mar: Mr. Speaker, I'd like to now move third reading of Bill 8, being the Health Foundations Act Repeal Act.

Thank you, sir.

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

Dr. Massey: Thank you, Mr. Speaker. We support Bill 8, the Health Foundations Act Repeal Act. As we've been informed, there are no foundations, and this doesn't affect the existing foundations. It's a matter of cleaning the act up, so we support it.

Thank you, Mr. Speaker.

The Acting Speaker: The hon. Minister of Health and Wellness to close debate?

[Motion carried; Bill 8 read a third time]

The Acting Speaker: The hon. Government House Leader.

Mr. Hancock: Thank you, Mr. Speaker. I move that we adjourn until 1:30 p.m. tomorrow.

[Motion carried; at 11:25 p.m. the Assembly adjourned to Tuesday at 1:30 p.m.]

