

Legislative Assembly of Alberta

Title: **Tuesday, April 5, 2005**

1:30 p.m.

Date: 05/04/05

[The Speaker in the chair]

head: **Prayers**

The Speaker: Good afternoon and welcome.

Let us pray. From our forests and parkland to our prairies and mountains comes the call of our land. From our farmsteads, towns, and cities comes the call of our people that as legislators of this province we act with responsibility and sensitivity. Grant us the wisdom to meet such challenges. Amen.

Please be seated.

head: **Introduction of Guests**

The Speaker: The hon. Minister of Human Resources and Employment.

Mr. Cardinal: Thank you very much, Mr. Speaker. It's my pleasure to introduce to you and through you to the Members of the Legislative Assembly 56 students and one adult from the Sturgeon composite high school. They are seated in the members' gallery this afternoon. I'd like them to rise and receive the traditional warm welcome of the Assembly.

Mr. Speaker, I have a second introduction. It's my pleasure again to introduce to you and through you to the members of the Assembly 12 staff from the Edmonton west office of Alberta Human Resources and Employment who are here today to tour the Legislature. They are seated in the members' gallery, and I'd like them to rise and receive the traditional warm welcome of the Assembly.

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

Mr. Danyluk: Thank you very much, Mr. Speaker. It is indeed my pleasure to introduce to you and through you to members of this Assembly a group of energetic and promising young people from Lac La Biche-St. Paul constituency. Today we are honoured to have the grade 6 class from the Vilna school observing the proceedings along with their teacher, Mrs. Jean Muzyka, and Mrs. Roseanna Garner, Mrs. Sue Novosiwsky, Mrs. Shelley Gerlywich, and Mrs. Wendy Cozicar. Vilna school is a very diversified learning program and experience for their students. They are seated in the members' gallery, and I would ask them to rise and receive the traditional warm welcome of this Assembly.

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

Rev. Abbott: Thank you, Mr. Speaker. Just over 20 years ago I graduated from Winfield high school in Winfield, Alberta. [interjections] That's right; believe it or not. Now, today I have the privilege of introducing a group of grade 6 students from that very school. Included in this distinguished group of 16 visitors are the school principal, my former French teacher and basketball coach, Mr. Elwood Johnson, teacher Mrs. Cocke, and parent helpers Kathleen Zimmerman, Lisa Keirle, and Robert G. Lowe. I'd ask them all to stand and receive the traditional warm welcome of the Assembly.

The Speaker: The hon. Member for Peace River.

Mr. Oberle: Thank you, Mr. Speaker. I'm pleased to introduce to

you and through you to all members of this Assembly a member of the council of MD 23, the MD of Mackenzie, who is in Edmonton to attend the AAMD and C conference. I would ask Mr. Ed Froese, seated in the gallery, to rise and accept the traditional welcome of the House.

head: **Oral Question Period**

The Speaker: First Official Opposition main question. The hon. Leader of the Official Opposition.

Growth Pressures in Fort McMurray

Dr. Taft: Thank you, Mr. Speaker. Yesterday evening a unified delegation from Fort McMurray consisting of representatives from major oil sands companies, the mayor, the board of education, the health authority, business and First Nation leaders, who had obviously all done their homework, presented a business plan and an investment infrastructure plea to this government. The development of Fort McMurray is key to the prosperity of the whole province, but this government's lack of planning is putting that in jeopardy. My first question is to the Premier. Would the Premier briefly describe the government's vision for the residents of Fort McMurray as it relates to maintaining the Alberta advantage?

Mrs. McClellan: Mr. Speaker, I had the honour of attending a very fine presentation that was made by the group from Wood Buffalo. Indeed, it was an updated business plan because what the group from that area found was that their business plan that they'd presented to us had rapidly become outdated. They felt that it was important that they come and, indeed, brought a great number of people to that from the health authorities, the school boards, the advanced education area, the energy area and gave us a great review of what has happened, what is happening, and their projections for the future.

I would say finally, Mr. Speaker, that a number of ministers affected were in attendance at that. We heard their comments, and we'll be responding to them.

The Speaker: The hon. leader.

Dr. Taft: Thanks, Mr. Speaker. To the same minister: when municipal, health care, and other grants are provided to authorities in Fort McMurray, will the government now take into account the 7,000-plus workers who live in the surrounding camps?

Mrs. McClellan: Well, as I indicated, Mr. Speaker, in my first comment, a number of ministers were in attendance. A number of MLAs were in attendance last night. We received a very comprehensive document from the group, and the assurance has been given them that the appropriate ministers will work with them to work through this document to understand their issues around water treatment plants, waste water, housing. The minister of infrastructure has commented directly on land that could be available to them for housing.

The Speaker: The hon. leader.

Dr. Taft: Thank you. To the Premier: given that the people who work in and around Fort McMurray generate huge revenues for this government, why doesn't this government ensure that they have public services that are up to the standards of the rest of the province?

Mr. Klein: Well, Mr. Speaker, as the hon. Deputy Premier pointed

out, we're working with industry on accommodating their infrastructure needs. Just to indicate one component of what is going on in the Fort McMurray area, we'll talk about housing, for instance. The minister of seniors recently awarded something like 700 acres to accommodate 2,000 affordable housing units. There are another 400 about to come on stream pending the bid process, so this is an area where we're working. In the area of transportation we've already committed funds to upgrade highway 63 and highway 881. So a lot of work is being done, and a lot of work will be done in the future.

The Speaker: Second Official Opposition main question. The hon. Leader of the Official Opposition.

Securities Commission

Dr. Taft: Thank you, Mr. Speaker. The Alberta Securities Commission has been under intense scrutiny since a report was leaked last month indicating serious allegations regarding a two-tiered enforcement system, sexual impropriety, and workplace harassment. Yesterday the Minister of Finance said that she had received a report and seemed to indicate that she felt all was well at the commission. To the Minister of Finance: would the minister please clarify which report she based her comments on, the report prepared by Mr. Mack or the report from the Securities Commission to the minister?

1:40

Mrs. McClellan: Mr. Speaker, the first report that the hon. member refers to was exactly that. It was the initial report. As I indicated in my answers to questions in the House previously on this matter, there were, indeed, two reports prepared by Mr. Mack. The later one was received on the 21st of March. The commission dealt with the matters in both reports and then reported to me through my deputy. In that finding, they clearly stated that the reports indicated that the enforcement policies of the Alberta Securities Commission have been applied and continue to be applied consistently and fairly and with an even hand. I think that was an important message from those two reports.

The Speaker: The hon. leader.

Dr. Taft: Thank you, Mr. Speaker. How, then, will the minister address the very serious discrepancies between these two reports, or is she saying that the first report was completely off base?

Mrs. McClellan: Mr. Speaker, the first report dealt with issues raised by persons who had concerns. The second report dealt with those concerns from more of a management level. As I indicated in my previous answer, on the regulatory side, the enforcement side the commission is confident that the workings of the commission are in order.

Mr. Speaker, they did raise in the initial report and responded in the second report to issues around human resource problems. The commission also responded to that in their report to me.

The Speaker: The hon. leader.

Dr. Taft: Thanks, Mr. Speaker. Well, given that up to 30 people are reported to have raised concerns about the management of the ASC and those complaints have occurred for years, how does the minister expect a report she won't even make public to allay all those concerns?

Mrs. McClellan: Well, first of all, as I indicated yesterday, Mr.

Speaker, it's not within my purview or my authority to release that report. It was released to my deputy, through my deputy to me, under the condition of solicitor/client privilege. That is, of course, to protect the people who brought concerns forward.

Mr. Speaker, the concerns that were raised on the human resource issues will be dealt with. The commission has assured us that their human resource committee takes these concerns very seriously and will be responding. I will be following up in that area.

The Speaker: Third Official Opposition main question. The hon. Member for Edmonton-Rutherford.

Mr. R. Miller: Thank you, Mr. Speaker. As indicated by the minister, there have also been serious allegations surrounding the workplace environment at the Alberta Securities Commission. Mr. Mack's report indicates that the workplace culture was threatening and, indeed, unsafe for numerous employees. My question is for the Minister of Finance. The minister has responded to the enforcement allegations. Will she now report to the Assembly the commission's report on the questionable management practices and the oppressive workplace atmosphere?

Mrs. McClellan: Mr. Speaker, I believe I just, in fact, did that. The report that I received from the commission, from the part-time commissioners, indicated that there were indeed some human resource issues. They also indicated in that that they took those very seriously and would be responding.

Mr. Speaker, I'm reviewing that section of the work and instructed my deputy to contact them yesterday so that I understand how they intend to proceed with those human resource issues. This is a professional organization. It is a very important commission, and I expect that it will be operated in a very professional manner.

The Speaker: The hon. member.

Mr. R. Miller: Thank you, Mr. Speaker. To the same minister then: how can current and future Alberta Securities Commission employees be assured of a safe and harassment-free environment?

Mrs. McClellan: Well, Mr. Speaker, I do believe that the employees at that commission understand that if they have issues, they feel very free in bringing them forward, which they did, and I appreciate that. Now the important thing is that these issues are dealt with and followed up, and I have given the Assembly and the members questioning this the assurance that I will be ensuring that there is a follow-up and that the appropriate steps are taken to correct any malfunction in the workplace.

The Speaker: The hon. member.

Mr. R. Miller: Thank you, Mr. Speaker. Can the minister inform the House what those appropriate steps would be to ensure that the employees have a safe and appropriate workplace?

Mrs. McClellan: Mr. Speaker, as soon as I have an indication from the part-time commissioners as to how their human resource division is going to proceed with this, I would be most pleased to inform the House.

Missing Health Records

Mr. Mason: Mr. Speaker, it's been a month since the health records of 670,000 Albertans went missing and were possibly stolen.

Instead of notifying the police before the trail goes cold, ministry spin doctors spend their energies crafting elaborate talking points in case news of the missing tapes leaked out. Well, it did. Instead of trying to solve the crime, the Tories have spent their time weaving a bigger rug to sweep this mess under. My question is to the Premier. Given that identity theft has become a major problem, why has this government failed in its duty to protect the personal information of Albertans and then failed again to take immediate action to recover the lost or stolen information?

Mr. Klein: Mr. Speaker, I dispute the remarks that action was not taken.

I'll have the hon. Minister of Health and Wellness respond as to what action has been taken.

The Speaker: The hon. minister.

Ms Evans: Thank you, Mr. Speaker. As I indicated yesterday, there was a review of what was actually occurring, whether or not the tape was in possession of one of the contractors entrusted with conveying the tape for microfiche.

In large part, the release of the information was pending the review of whether or not it was located with IBM, where it was located, and whether or not we could report it as missing or whether or not it was something that had already had some fraudulent or misconduct associated with it. We have had no evidence of that thus far.

We initiated the investigation, and I assure you and this Assembly that if there is evidence that we need to pursue with the police, that will be done.

The Speaker: The hon. member.

Mr. Mason: Thank you very much, Mr. Speaker. Given that the health records of 1 in 4 Albertans may have gone missing, why has the government failed to notify these Albertans that their personal health information may now be in the hands of parties unknown who could be, as we speak, using the information to steal their identities?

Ms Evans: Mr. Speaker, the very day, within the very hour of hearing about the loss, I phoned the vice-president of IBM. I had that same question about what could be done. Although at that time I wasn't fully aware of what was on the tape, I was aware of the fact that these secured tapes had been developed with very specialized equipment, that it would take a mainframe computer – there are three such computers in Edmonton that may be able to read such a tape. Since then and in this House I believe I have confirmed that only the health care number and the name is actually on the tape along with the gender. But I have never diminished the importance of tracking that information, no matter how little or how much is contained.

The Speaker: The hon. member.

Mr. Mason: Thank you very much, Mr. Speaker. Well, why doesn't the government have a responsibility to notify those whose health data is missing or stolen, if for no other reason than to let them know how they can best protect themselves against identity theft, something this minister doesn't seem to understand?

Ms Evans: Mr. Speaker, we're very concerned about the loss of the tapes, unproven as to having been stolen as yet. The investigation is there. However, if it is imperative for us, in the opinion of the

Privacy Commissioner, to contact every Albertan that may have been listed with their health number, as per his requirements to fulfill our duty and our filial responsibility, we will do that. Presently, however, we are still investigating the matter. When we have more to report to Albertans, that report will be made.

The Speaker: The hon. Member for Calgary-Fort, followed by the hon. Member for Calgary-Mountain View.

Lynnview Ridge

Mr. Cao: Well, thank you, Mr. Speaker. I have raised this issue before in the House, but it has yet to be resolved. My constituents have been very concerned and frustrated about the contamination of their properties in Lynnview Ridge. So my question today is to the hon. Minister of Environment. Can the minister update the House on this serious concern?

1:50

Mr. Boutilier: Mr. Speaker, I'm very pleased to inform this Assembly and the hon. member that we have in fact reached an agreement pertaining to the mediated settlement as early as 11 o'clock this morning. It's a great pleasure for me to say that this has been taking place for numerous years, and I want to say that the mediated action between Alberta Environment and Imperial Oil has been successful in protecting the environment and in protecting the interest of the citizens in Lynnview Ridge.

Mr. Cao: Well, that's great news, Minister.

My first supplemental question is to the same minister. Given that my constituents in the Lynnview Ridge area have been living with this contamination for too long – and I'm ready to celebrate the completion of the cleanup too – can the minister tell us when we can expect the cleanup to occur?

The Speaker: The hon. minister.

Mr. Boutilier: Thank you, Mr. Speaker. I want to say from the onset that I'm going to be so pleased that I perhaps will not have to be answering any more questions from the hon. Member for Calgary-Fort on this important issue.

I will say without any fear of contradiction and to all of the members of this House that Alberta Environment will not be paying for this cleanup. The mediated settlement has indicated that Imperial Oil, as stewards of the issue in dealing with the residents, will be doing this. In actual fact, we want to ensure that with any soil that has contaminated property, Imperial Oil will be beginning the cleanup as soon as, shall I say, at the very least, this spring and early summer. I think that's very important.

Mr. Speaker, let me conclude by saying that Alberta Environment is participating so that the residents in Lynnview Ridge, who have been very understanding and co-operative, can enjoy their properties now and into the future.

The Speaker: The hon. member.

Mr. Cao: Thank you, Mr. Speaker. My second supplemental question is to the same minister. Given that Alberta is proud of legislation saying that the polluter pays, why is Alberta Environment contributing to the cleanup of Lynnview Ridge?

The Speaker: The hon. minister.

Mr. Boutilier: Yes. I just want to clarify that in fact the Ministry of Environment is not. We have participated in a very small portion of the funding, but ultimately I want to congratulate Imperial Oil. They have agreed in the mediated settlement to cover the cost of this remediation to the benefit of all Albertans and the citizens specifically in the area that is in the hon. member's constituency.

The Speaker: The hon. Member for Calgary-Mountain View, followed by the hon. Member for Peace River.

Water Strategy

Dr. Swann: Thank you, Mr. Speaker. Fresh water is a diminishing resource essential to the very survival of all life. Albertans are becoming increasingly aware of and anxious for strong leadership in the province on its water resources. The government's water for life strategy provides the vision, but without resources and legislation no action and strategic direction can follow. My question to the Minister of Environment: given that measurement of Alberta's water supply is essential to making effective water management decisions, when will the government accurately measure the total water supply in Alberta, both surface and groundwater?

The Speaker: The hon. minister.

Mr. Boutilier: Thank you. A very good question by the hon. member. I want to say that Alberta's water for life strategy is one of a kind in all of Canada, which really is demonstrating the leadership of the province of Alberta. The water strategy has three outcomes: safe, secure drinking water; healthy rivers and lakes; and reliable quality water supplies for a sustainable economy into the future.

Now, the Alberta Water Council, which the hon. member and I have discussed, and the watershed planning and the advisory councils are key in terms of the water strategy success in collecting the data that the hon. member has made reference to because when we're doing this, we want to do it right the first time.

Dr. Swann: To the same minister: given that the government has a policy allowing interbasin transfers, which indicates a failure of water management and planning, will the government commit to implementing legislation to make watershed planning management mandatory?

Mr. Boutilier: Mr. Speaker, I want to first and foremost say that I am very proud of the environmental protection act that we have in Alberta. It's viewed by the majority of provinces across Canada as a leader.

One of the reasons for interbasin transfers is specifically – we're debating in this House now, in fact, one of those transfers. No matter how small or how large, it's accountable back to this particular Legislature, and I think that is clearly a strength of the legislation that we have in place. In fact, that was put in place when the then Minister of Environment, our Premier, led in terms of the importance of these initiatives.

As we go forward in collection of the data in terms of what the hon. member is asking for, I think it is going to be critical that we continue to report back to our Water Council people, that are involved directly at the grassroots of the forefront, the importance of this important resource, that we will continue to ensure that the water in the province is managed in a proper and orderly fashion to ensure that it's for the long term and into the future of the strategy we have.

Dr. Swann: Again to the same minister: given that the transfer of water can be seen to make water into a product or commodity potentially subject to international trade agreements under NAFTA, can the government absolutely guarantee to Albertans that our water will not be sold to the United States?

Mr. Boutilier: Mr. Speaker, under supply . . . [interjection] Well, the hon. member says: just say . . .

The Speaker: Through the chair.

Mr. Boutilier: Through the chair I'm not going to say what she would like me to say. I'm going to simply say that we are going to manage our water in a proper, orderly fashion. One thing for sure, Mr. Speaker, is that Albertans value what I refer to in this House as blue gold. That blue gold is something that we will cherish, we will conserve, we'll use as good managers of now, today, and into the future without any fear of contradiction.

The Speaker: The hon. Member for Peace River, followed by the hon. Member for Edmonton-Ellerslie.

Forest Sustainability

Mr. Oberle: Thank you, Mr. Speaker. Last night during debates in this House the hon. Member for Calgary-Varsity outlined his belief that the harvest of Alberta's forest is proceeding at a faster rate than reforestation. He used the words "mowing down" to describe the harvest and went on to use the words "pillaging" and "plunder." My questions are for the Minister of Sustainable Resource Development. Are forest companies being allowed to pillage and plunder Alberta's valuable forest resources?

Mr. Coumts: Mr. Speaker, absolutely not. I can assure this hon. member, I can assure this House, and I can assure Albertans out there that this industry, which is an important industry to the province of Alberta, is responsible and is committed to sustainable resource management. Our industry leaders consult with the public in developing management plans that go well into 200 years, and our forests grow more than they actually cut. We grow 44 million cubic metres of forest and only cut about 24 million cubic metres in Alberta. Our companies use the latest information and the latest technology, and, finally, they meet international criteria, which has been pointed out by an independent report published by Yale University professors who concluded that Canada's forest practices are among the most progressive and the best in the world.

The Speaker: The hon. member.

Mr. Oberle: Thank you, Mr. Speaker, and thank you to the minister. To the same minister: what checks and balances are in place to ensure that reforestation efforts are adequate in Alberta?

Mr. Coumts: Mr. Speaker, Alberta has some of the best managed forests in North America, and each year the amount of timber that is harvested in our province is less than the forest actually grows. Reforestation is mandatory in Alberta, and it has been that way since 1966. [interjections]

Mr. Speaker, this maybe isn't very important to the folks across the way, but it is important to the industry and it's important to the 50,000 people that work in the forest industry. We have a delegated authority that looks after reforestation in this province. It's the Forest Resource Improvement Association, and we require compa-

nies to follow clear, defined legislative requirements to make sure that reforestation is done on public lands.

The Speaker: The hon. member.

Mr. Oberle: Thank you, Mr. Speaker, and again thank you to the minister. To the same minister: what recourse does the government have in the apparently unlikely event that a forest company does not comply with reforestation requirements?

2:00

Mr. Coutts: Mr. Speaker, there are timber management regulations in place in this province that clearly state what the industry must do in terms of reforestation and making sure that the forest is sustainable for years to come. Companies could face significant monetary penalties as well as reductions in annual allowable cuts. As I mentioned earlier, Alberta's reforestation policy is designed to ensure long-term viability of our province's valuable forest resource. This is hardly plunder and pillage.

The Speaker: The hon. Member for Edmonton-Ellerslie, followed by the hon. Member for Lac La Biche-St. Paul.

Wild Rose Foundation Grants

Mr. Agnihotri: Thank you, Mr. Speaker. Registered societies in this province qualify for Wild Rose funding because they register and file their annual returns with the province. Societies that do not file their annual returns with the province are designated as struck and do not qualify for Wild Rose funding. My question is to the Minister of Community Development. Why is it important that the Wild Rose Foundation prohibit funding to societies that are labelled as being struck?

Mr. Mar: I'm not sure I heard the last part of that question, Mr. Speaker.

Mr. Agnihotri: Why is it important that the Wild Rose Foundation prohibit funding to societies that are labelled as being struck?

Mr. Mar: I think I did hear the question that time, Mr. Speaker. I don't know what the answer is. I'd be happy to entertain the member's question. I'll have to take it under advice right now.

Mr. Agnihotri: To the same minister: is it acceptable for a struck society to obtain its Wild Rose funding through another registered society?

Mr. Mar: I'm not sure if that's the practice or not. Again, I'll entertain that question under advice.

Mr. Agnihotri: To the same minister: beyond accountability reports can the minister explain what kind of follow-up is done to ensure that organizations that have received Wild Rose funding use the money for the purposes that are stated?

Mr. Mar: There is a follow-up audit on all monies that are distributed through the Wild Rose Foundation, and there is a process by which the entities receiving monies must demonstrate that they are used for the purposes for which they are given, Mr. Speaker.

The Speaker: The hon. Member for Lac La Biche-St. Paul, followed by the hon. Member for Edmonton-Mill Woods.

Major Alberta Projects

Mr. Danyluk: Thank you very much, Mr. Speaker. As mentioned before, last night residents of Fort McMurray told the government's standing policy committee and many other interested observers about the issues they face as a high-growth community. This morning the government released information that there is more than \$100 billion in major projects under way, with a lot of these projects related to Fort McMurray. My first question is to the Minister of Economic Development. What is the province doing to ensure that the economic growth is spread fairly across the province?

Mr. Dunford: Mr. Speaker, \$100 billion on our 100th birthday. What a centennial gift to the people of Alberta.

In the report that was released this morning on behalf of Economic Development and, of course, for the government of Alberta, talking about \$100 billion worth of projects, clearly the majority of that development is going to take place in the Fort McMurray area, and that's why the people that came in from that centre last night to make their presentation are to be congratulated. Of course, as the Premier and others have said today, there is a challenge there for us to deal with.

Now, as far as the rest of the province there are developments that are taking place, especially the Edmonton-Calgary corridor. But even in my little old Lethbridge, you know, there's a vibrancy now that is taking place, and congratulations to all that have been involved in it and especially the government of Alberta for creating the climate for investment.

The Speaker: The hon. member.

Mr. Danyluk: Thank you, Mr. Speaker. My next question is to the Minister of Human Resources and Employment. Due to the strong economy and activity in the oil sands, skill shortages are occurring in that industry. What is the province doing to help the industry in the Fort McMurray area during these shortages that they're experiencing?

The Speaker: The hon. minister.

Mr. Cardinal: Thank you very much, Mr. Speaker. That's a very good question. Of course, I've said before that Alberta is committed to further developing the skills base of Albertans so that they can compete internationally. Presently my department spends \$280 million a year in training to help Albertans develop skills that are in demand. In addition to that, of course, we fund over 4,600 apprenticeship spaces along with advanced ed and career development. We have 56 employment centres across 43 communities in Alberta that provide various forms of employment support programs to Albertans out there.

In addition to that and the most important part, Mr. Speaker, if you'll give me a brief moment, we are also working with industry to develop skills for some of the groups that continue to be underutilized, including aboriginal people . . .

The Speaker: Hon. minister, thank you. It may be helpful to address the most important point first.

The hon. member.

Mr. Danyluk: Thank you very much, Mr. Speaker. My final question and second supplemental is to the Minister of Energy. What is the province doing to ensure that we are doing more with

our resources than extracting them and shipping them without benefit to Albertans?

The Speaker: The hon. minister.

Mr. Melchin: Thank you, Mr. Speaker. We've heard about the \$100 billion potential investment in the oil sands area over the next 10 years and substantial opportunity for centuries yet to come. It is important that we set the framework and the groundwork so that we do more than just extract bitumen, that we have the opportunity to do the upgrading, the refining, and even working towards using bitumen as a feedstock for the petrochemical industry. These are all things we're working on very closely with the industry in particular. The Member for Fort McMurray-Wood Buffalo continually works with them in bringing those issues forward.

My one concern about this still comes back to this Kyoto issue. One of the clear problems of the Kyoto protocol, while it is very substantially flawed, is that you can and will potentially see the upgrading of the bitumen happening in the U.S. or China. Countries that are not signatories to the protocol do not have to comply with the standards that we have. We'll see more carbon dioxide emission and a greater global problem than by our using the right standards to do that upgrading and that refining right here in Alberta.

The Speaker: The hon. Member for Edmonton-Mill Woods, followed by the hon. Member for Edmonton-Beverly-Clareview.

Youth Emergency Shelters

Mrs. Mather: Thank you, Mr. Speaker. The Minister of Children's Services said in answer to previous questions about youth shelters that family and community support services provides funding for youth shelters. This is not the case. Family and community support services does not provide funding to shelters because shelters don't fall under the FCSS's definition of preventative services. To the Minister of Children's Services: why does this ministry not define youth shelters as a preventative service when they clearly are preventative?

The Speaker: The hon. minister.

Mrs. Forsyth: Well, thank you, Mr. Speaker. I appreciate the question from the hon. member. The government under FCSS does provide youth emergency shelters funding. We provided \$21,250 for public awareness and education in 2003.

The Speaker: The hon. member.

Mrs. Mather: Thank you. To the same minister: will the minister commit to a new funding regimen for youth shelters since they are not part of the FCSS definition of preventative?

The Speaker: The hon. minister.

Mrs. Forsyth: Mr. Speaker, thank you. That's a good question. The ministry is going to be looking this year at how we fund youth shelters, so I'll be pleased to accept her recommendations. It's something that we are going to be doing.

The Speaker: The hon. member.

Mrs. Mather: Thank you. Regardless of the semantics, you will then make sure that your ministry does ensure that shelters get funding?

Mrs. Forsyth: Well, we're going to be reviewing how the youth shelters in this province are funded. I can tell her that.

The Speaker: The hon. Member for Edmonton-Beverly-Clareview, followed by the hon. Member for Calgary-East.

2:10

Securities Commission

(continued)

Mr. Martin: Thank you, Mr. Speaker. From Bre-X to the Boyle brothers a rogues' gallery of con men and scam artists have slipped through the fingers of this province's toothless securities regulator. Meanwhile, small investors are supposed to be satisfied with the vague assurances from the Minister of Finance to not worry and be happy despite overwhelming evidence to the contrary, including documented evidence sent to the government 15 months ago by the Alberta Securities Commission's former enforcement director. My question is to the Minister of Finance. Why is the minister refusing to make public the very report she earlier claimed would clear the air?

Mrs. McClellan: Well, Mr. Speaker, I have answered this question I would think maybe five times in the last two days. The information that was provided was provided under a solicitor-client relationship. This is to protect the anonymity of the persons who brought those complaints forward and to protect the reputations of persons that may have been referred to improperly.

Mr. Speaker, we have treated this very seriously. Immediately upon receiving the complaint, I wrote to the commission and asked them to investigate this matter. They did that. They employed an external, very well-respected person to do the investigation and provide the reports. What I have answered is on the basis of that. If the hon. member has a problem with the person who did that investigation, he should stand in this House and say so.

Mr. Martin: Mr. Speaker, I know the minister's little exercise, but the small investors are the clients, it seems to me, and my question to the minister is simply this: how can small investors have any confidence at all in view of what's happened when the minister refuses to get to the bottom of it and make this report public?

Mrs. McClellan: Mr. Speaker, we have gotten to the bottom of it. As I indicated, the commission has acted very responsibly. They employed an external person, a very well-respected person, to conduct the investigation. They have taken the information from that investigation, and they have said clearly – I will read it one more time – that the report indicates that the enforcement policies of the Alberta Securities Commission have been applied and continue to be applied consistently and fairly and with an even hand. That is an important statement. We have FOIP legislation in this province, and we abide by legislation, and we abide by solicitor-client confidentiality.

Mr. Martin: Mr. Speaker, if the minister can't make public this internal report, why doesn't she order an independent investigation of the Securities Commission to get to the bottom of the serious allegations that still threaten to undermine investor confidence in this province?

Mrs. McClellan: Mr. Speaker, the commission hired an independent investigator well respected in this province. I do trust him, and if you have any reason not to, I think you should say that rather than make asides outside this House.

Mr. Speaker, the Securities Commission and the work they do is very important. For that reason I requested they do a review. They've done the review. They hired the external investigator. They have the report. They have made those findings public in this way. I see no value, frankly, in somebody sitting across the way reviewing what has already been reviewed by very, very, very credible people.

The Speaker: The hon. Member for Calgary-East, followed by the hon. Member for Edmonton-Gold Bar.

Health Services in Calgary

Mr. Amery: Thank you, Mr. Speaker. On Friday, April 1, the hon. members for Calgary-McCall, Calgary-Fort, and myself met with members of the Calgary health region at the Peter Lougheed hospital in Calgary. At that meeting we were informed that the population-to-physician ratio in northeast Calgary is 1,521 to 1 while in other parts of the city it's 600 to 1. My question is to the hon. Minister of Health and Wellness. What is the department doing to rectify the situation so that hard-working, taxpaying northeast Calgary residents can have quality and easy access to health care?

The Speaker: The hon. minister.

Ms Evans: Thank you, Mr. Speaker. Despite a national shortage, Alberta has done better in attracting physicians than almost any other part of Canada. For one thing, we have one of the best compensation packages in Canada. Our eight-year trilateral agreement is applauded.

We are working with the Calgary health region, who has initiated a project quite specifically to examine the northeast region. It is true. The figures represent a significant demographic shift there, and we'll take a look at both the needs of that region as well as the particular population groupings there so that, hopefully, we'll find the right mix. Mr. Speaker, the primary care initiatives, which will see teams of professionals work on-site in places like the northeast, might well help us to overcome some of the deficiencies of having a lower physician-to-patient ratio.

The Speaker: The hon. member.

Mr. Amery: Thank you, Mr. Speaker. To the same minister: what is the department doing about the shortage of 260 acute-care beds in Calgary and southern Alberta?

Ms Evans: Recently Alberta health officials and Alberta infrastructure officials met with the Calgary health region to take a look at this problem. Obviously, with the high-growth areas of the province, keeping apace with the bed needs is an important element. We have initiated and sponsored redevelopment work on the site in the southeast quadrant, which is by design easily accessible for parts of the north and the southeast. More than that, we're reviewing redevelopment plans at the Peter Lougheed centre, the Foothills medical centre, and the Rockyview hospital, and last year we approved a total of \$125 million of capital projects for phase 1 redevelopments of these sites.

The Speaker: The hon. member?

The hon. Member for Edmonton-Gold Bar, followed by the hon. Member for Calgary-Nose Hill.

Enron Activities in Alberta

Mr. MacDonald: Thank you, Mr. Speaker. Time and time again in

response to questions on the Enron scandal in Alberta the Minister of Energy asks for more evidence. Every day the Official Opposition has provided this House with transcripts, e-mails, and other court evidence regarding Enron's electricity price-fixing schemes in Alberta. The tabled material proves at the very least that a full, independent, public inquiry into Enron's dealings in Alberta should be launched immediately. My first question is to the Minister of Energy. Has the Department of Energy analyzed the evidence tabled in this House or otherwise revealed by American authorities regarding Enron's electricity price-fixing schemes here in Alberta?

Mr. Melchin: I'd be delighted to repeat some of those answers that need, I guess, reinforcement, Mr. Speaker. In this sense, we have been out in front of it. The market surveillance administrator does that precise work all the time. They specifically requested from the utility in the state of Washington all of the transcripts. It's those transcripts that have been reviewed. It's from those transcripts that there were some assessments. All that's in there thus far is a little bit of information, not enough to collaborate that there was any collusion or any of those kinds of things, but that's why they have asked the federal Competition Bureau to investigate.

The Speaker: The hon. member.

Mr. MacDonald: Thank you, Mr. Speaker. Again to the same minister: given that Albertans look to the minister, not the federal Competition Bureau, for leadership, why is this minister refusing to live up to his responsibility to protect Alberta electricity consumers?

Mr. Melchin: We look very much to the market surveillance administrator as experts, which they are, very qualified to look into these issues. They can assess the merit of whatever is on those transcripts and take appropriate actions. In this case, it involved parties that were outside of Enron and other parties that were outside of Alberta over which we don't actually have any jurisdiction to continue the investigation. That is why the federal Competition Bureau is involved.

The Speaker: The hon. member.

Mr. MacDonald: Thank you, Mr. Speaker. Again to the same minister: how can the minister deliberately ignore the evidence that has been provided when Albertans are concerned that they may have lost millions and millions of dollars because of Enron's price-fixing schemes?

2:20

The Speaker: The hon. minister.

Mr. Melchin: Thank you, Mr. Speaker. We are deliberately protecting the interests of Albertans, and we are going to continue, in that regard, doing all that we can to ensure that Albertans are protected. It is actually the actions of this department and the market surveillance administrator that has been in front of this and has provided so that they could have access to the transcripts.

The Speaker: The hon. Member for Calgary-Nose Hill, followed by the hon. Member for Edmonton-Meadowlark.

GuZoo Animal Farm

Dr. Brown: Thank you, Mr. Speaker. My question is for the Minister of Sustainable Resource Development. There has been

much ongoing criticism of an Alberta roadside zoo facility called the GuZoo. Recent news reports indicate that the facility has recently had its zoo permit renewed. Given the somewhat checkered history of this facility, can the minister advise the Assembly what information was used to issue that permit and whether the facility presently meets all the standards required of it?

The Speaker: The hon. minister.

Mr. Coutts: Thank you, Mr. Speaker. I want to be clear here. There have been many public complaints received not only in our department but also in our office. The department also has some concerns about GuZoo. Recently GuZoo's zoo licence was extended for a short six-month period under some very strict conditions and very strict guidelines. The operator has acted on many of our requests for improvements over the previous three-month licence that was given, and these are showing up in his annual zoo plan, which we asked him to do. Our department continues to investigate GuZoo, and we have given the zoo operator written warnings regarding the specific conditions where we weren't satisfied with his performance, so we continue to monitor him.

Dr. Brown: Can the hon. minister advise whether or not there's a plan for ongoing monitoring of the compliance with the requirements of the department?

Mr. Coutts: Mr. Speaker, we want to make sure that we don't continue to just take the operator's word that improvements are being made. Our department staff are inspecting GuZoo on a monthly basis, and we will continue to monitor, along with our other partners like the SPCA, Alberta Agriculture, Food and Rural Development, as well as Environment and the regional health authorities. We work in close co-operation with them, and we'll take whatever actions are necessary with our partners to see that the operator continues to make the required improvements that are needed to follow the conditions that are set out in his zoo permit.

Dr. Brown: Mr. Speaker, my final question for the same minister: does Alberta's legislation and regulatory framework have enough teeth when it comes to enforcing these requirements?

Mr. Coutts: Mr. Speaker, that's a very good question that has been brought forward. We're trying to take a very proactive approach on this issue, along with the SPCA and our other partners, to work within the mandates that we individually have, and we would like to certainly work closer together. Alberta's roadside zoos have all been issued only six-month permits while we work on developing zoo standards.

Our goal is to develop clear guidelines and standards for all roadside zoos and provide options for enforcement. Once the standards are completed, Mr. Speaker, the zoo operators will have a phased-in approach to meeting those standards under their plans.

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

Gaming Research Institute

Mr. Tougas: Thank you, Mr. Speaker. Yesterday the Minister of Gaming said that the government would not interfere in the results of research done by the Alberta Gaming Research Institute. However, the minister also said that the government has a responsibility to direct the AGRI to answer government questions, noting that the contract for the organization is up for renewal. My ques-

tions are for the Minister of Gaming. Do the minister's remarks yesterday indicate that the government will now start telling the AGRI what kind of research it wants done as a condition of its grant renewal?

Mr. Graydon: Mr. Speaker, I don't believe it will be a condition of renewal, but I think we do have a responsibility, providing \$1.5 million annually for that institute. There are things that we want researched, so we will give them a list of things that we would like them to have a look at. They may have some things on their own list as well, but certainly there are areas that we want researched, and I think it's only prudent that they would research those items for us.

The Speaker: The hon. member.

Mr. Tougas: Thank you, Mr. Speaker. To the same minister: is the government seeking more control of the AGRI because some of its past research has made the government uncomfortable?

Mr. Graydon: No, absolutely not. If the research makes us uncomfortable, so be it. We don't direct the results of that research, but we do have a responsibility to the taxpayers of Alberta to see that their \$1.5 million investment is secured.

The Speaker: The hon. member.

Mr. Tougas: Thank you, Mr. Speaker. To the same minister: given that the government gave out \$40 million in supplemental funding to seven regional exhibitions in Alberta, why is the government taking so long to give the AGRI its last year's grant of \$1.5 million?

Mr. Graydon: Two very separate issues, Mr. Speaker. The \$40 million that was distributed to seven regional agricultural societies from the Alberta lottery fund – another good example of lottery funds at work – was approved in this House by a vote under the supplemental requisitions. I think that explains where the \$40 million came from. It was identified in the third-quarter update as being surplus monies at that point in time, and we felt it only prudent to distribute it to some very worthwhile groups.

The Speaker: Hon. members, in a few seconds from now I'll call upon the first of four members to participate.

In the interim might we congratulate the hon. Member for Edmonton-Castle Downs on reaching a milestone today and call on the hon. Minister of Advanced Education for an introduction.

head:

Introduction of Guests

(reversion)

Mr. Hancock: Thank you, Mr. Speaker. I appreciate the opportunity to introduce a class of students that has joined us during question period. It's my pleasure today to introduce to you and through you to members of the Assembly 42 enthusiastic grade 6 students along with their teachers, Mr. Bill French and Ms Colleen Reeder, and parent helpers Dave Baker and Gillian Drever from the George P. Nicholson elementary school in my constituency of Edmonton-Whitemud. They're here today to observe and learn with keen interest about our government. They're seated in the members' gallery.

I might say that from George P. Nicholson elementary school in the Twin Brooks area of my constituency, George P. Nicholson being a trustee of the Edmonton public school board is one of the few people that I know that's had a school named after him while

he's still serving as a trustee and therefore the respect that is accorded to him. I just wanted to mention that as I ask these students to rise and receive the traditional warm welcome of this Assembly.

head:

Members' Statements

The Speaker: The hon. Member for Calgary-Nose Hill.

Allan Brown

Dr. Brown: Thank you, Mr. Speaker. Sixty years ago today the greatest conflict in the history of humanity was drawing to a close. Seventeen thousand Canadian airmen perished during World War II. In the air over Germany in the early hours of April 5, 1945, 60 years ago today, men of 6 Group, Bomber Command, Royal Canadian Air Force, were dropping 5,400 tons of bombs on oil targets in Germany.

One of the aircraft on operations that night was a Halifax heavy bomber piloted by a young man from Midnapore, Alberta. After losing a third engine over the target and leaving for home, the aircraft was descending into the night. The pilot gave the order to bail out, and the pilot was ready to exit the aircraft, at which time he looked over his shoulder and saw his mid-upper gunner with his parachute hopelessly tangled in the fuselage. The pilot returned to his operations seat. Unable to put on his operating harness, he took the autopilot off and brought the aircraft down to a crash landing at night in enemy territory.

On exiting the aircraft, he noticed that there was not one of his aircrew present in the aircraft but three. It was only then that the aircraft caught fire. The men left the area, and five days later they were able to get back to the Allied lines. Meanwhile, the three crew members who had bailed out were taken prisoner of war.

The pilot officer of that night received the Distinguished Flying Cross for his coolness in bringing down the aircraft in enemy territory with only an aircraft airspeed indicator, a compass, and an altimeter. There was not a single light shining in that territory that night, and there was not a single loss of life.

That pilot was my father, Allan Brown.

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

2:30

Infrastructure Spending

Mr. Taylor: Thank you, Mr. Speaker. It occurs to me that the people of Alberta may be wondering why 12 MLAs from the Edmonton area, three from Calgary, and one from Lethbridge keep asking so many questions in this House about Fort McMurray. Well, it's because we believe that Fort McMurray and the challenges that it faces are in fact symbolic of the provincial Conservative's neglect of urban Alberta.

The province of Alberta is debt free in large part because a portion of its debt has been effectively downloaded onto municipal governments, regional health authorities, school boards, colleges, and universities in the form of infrastructure that has at best been neglected and at worst destroyed without replacement. Over the past decade inner-city schools and hospitals have been closed. Where are their replacements? Out in the suburbs where the growth is occurring? No. Not so much. People are still waiting for the new ones to be built.

Municipalities of all sizes throughout this province have suffered from the withdrawal of a variety of taxes, user fees, or in the case of Fort McMurray royalty profits without the proportional sustaining increase in grants which accurately reflect their rapid growth. Their populations explode; their infrastructure expires.

Back to Fort McMurray as the most glaring example of the Tory

neglect of urban Alberta. Fort Mac's water treatment plant was designed to accommodate a population of 40,000. Today the population exceeds 55,000. Two new schools are needed along with health care facility expansion to cope with the oil sands driven population boom. The province drags its feet on releasing land for housing construction so that it's almost impossible for teachers, health care workers, and other community service providers to find let alone afford accommodation.

Canmore residents are also experiencing a housing shortage. At the same time, their property taxes go through the roof. Calgary is reeling from the loss of half its hospitals, driving waiting lists to all-time highs. There is a growing disparity between the revenue this government sucks out of urban Alberta and the inadequate grants it returns. The result in cities like Calgary, Canmore, Fort McMurray, and many others is private-sector prosperity coupled with the public-sector status of a have-not province.

Thank you, Mr. Speaker.

The Speaker: The hon. Member for Wetaskiwin-Camrose.

High School CPR Program

Mr. Johnson: Thank you, Mr. Speaker. It is with pleasure that I rise today to speak about a national nonprofit organization which is partnered with schools in my constituency to give students the opportunity to learn a valuable skill. The Advanced Coronary Treatment Foundation, or ACT, is dedicated to helping high schools nation-wide implement a core curriculum CPR program. In order to facilitate this, the foundation establishes partnerships with communities so that CPR mannequins, teacher materials, and the CPR agency cost of teacher training is supplied.

The Shock Trauma Air Rescue Service Foundation, more commonly known as STARS, has partnered in this endeavour and has helped to ensure that the tools and training necessary for this program to be a success are available. This has included the donation of teaching mannequins and teacher training.

I am pleased to announce that the ACT Foundation has been and still is active within schools that are in my constituency. This foundation has partnered with both the Wetaskiwin regional school division as well as the Battle River school division. These partnerships will result in many students learning this valuable life-saving skill each year in these school divisions.

Students are taught not only the mechanics and techniques of cardiopulmonary resuscitation, but they also learn to recognize a developing emergency and the importance of reacting immediately and appropriately. In addition to this, students also learn the risk factors that are associated with heart disease and the importance of making healthy lifestyle choices. Being taught these skills not only equip our students with the knowledge necessary to save someone's life, but they also gain self-confidence from learning and possessing such valuable skills.

I'd like to acknowledge and commend the work of the ACT Foundation as well as the STARS Foundation for the work that has gone into this program.

Thank you, Mr. Speaker.

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

Heckling in the Legislative Assembly

Dr. Swann: Thank you, Mr. Speaker. I wanted to say just a few words about heckling. Heckling is defined as verbal interjection by another speaker in public. All parties I'm aware of have participated

in heckling, and in no way do I intend to make this a partisan issue or to point fingers. Often comments are sarcastic, insulting, derisive, humiliating, or meant to unbalance a speaker and perhaps expose a weakness or gain advantage. Not all Legislatures in the world allow heckling. It is a tradition, however, of the British system, and it's our decision in Alberta whether to continue in the practice.

I'm not aware of many positive aspects to it, but the negative aspects that I see are: the issue at hand may not be constructively addressed, trust is undermined, credibility of both parties is diminished, there is an increased level of stress, and public cynicism and lack of confidence among children as well as adults about the political process and the unwillingness to become involved in political activities may be a result with the democracy deficit we've talked about.

Heckling is a choice for us individually and also collectively. I've met with the Speaker to seek guidance on how to sufficiently block interactions across the floor and, in fact, to have these comments banned. This would be a first that I'm aware of in Canada. The Speaker or his designate could provide the appropriate interventions, and I'm not exactly sure of how the enforcement and identification of heckling would be worked out, but I'm sure that creative minds could be put to this.

After a hundred years of heckling, heckling is an imbedded tradition in this province, and if we choose, we could be leaders in Canada. What might be the benefits? Public dignity enhanced, better human relations in and out of the Legislature, more honest debate and constructive outcomes, and increased public confidence.

The Speaker has suggested this issue go to the House leaders of each party for discussion. I would simply ask that all members consider it fully. Again, I advocate this as strongly as possible. We have an opportunity here to serve the Legislature, the people of Alberta, and democracy more fully.

Thank you, Mr. Speaker.

head: **Presenting Petitions**

The Speaker: The hon. Member for Edmonton-Manning.

Mr. Backs: Thank you, Mr. Speaker. I have a petition from Albertans from the great Alberta communities of Didsbury, Busby, Camrose, Onoway, Ardrossan, Willingdon, Edmonton, and Calgary petitioning the government with the following words:

We the undersigned residents of Alberta, petition the Legislative Assembly to urge the Government of Alberta to prohibit the importation of temporary foreign workers to work on the construction and/or maintenance of oil sands facilities and/or pipelines until the following groups have been accessed and/or trained: Unemployed Albertans and Canadians; Aboriginals; unemployed youth under 25; under-employed landed immigrants; and displaced farmers.

Thank you, Mr. Speaker.

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

Mr. MacDonald: Thank you very much, Mr. Speaker. I, too, have a petition to present to the Legislative Assembly and it reads:

We the undersigned residents of Alberta, petition the Legislative Assembly to urge the Government of Alberta to prohibit the importation of temporary foreign workers to work on the construction and/or maintenance of oil sands facilities and/or pipelines until the following groups have been accessed and/or trained: Unemployed Albertans and Canadians; Aboriginals; unemployed youth under 25; under-employed landed immigrants; and displaced farmers.

This petition has been signed by 86 Albertans from all over the province.

Thank you.

The Speaker: The hon. Member for Edmonton-Rutherford.

Mr. R. Miller: Thank you, Mr. Speaker. I have a petition this afternoon that I'd like to table in the Assembly. It reads:

To the Legislative Assembly of Alberta, in Legislature Assembled: We the undersigned residents of Alberta, petition the Legislative Assembly to urge the Government of Alberta to prohibit the importation of temporary foreign workers to work on the construction and/or maintenance of oil sands facilities and/or pipelines until the following groups have been accessed and/or trained: Unemployed Albertans and Canadians; Aboriginals; unemployed youth under 25; under-employed landed immigrants; and displaced farmers.

Mr. Speaker, this petition is signed by 103 Albertans from across the province.

Thank you.

head: **Tabling Returns and Reports**

The Speaker: The hon. Minister of Energy.

Mr. Melchin: Thank you, Mr. Speaker. I'd like to table five copies of an important report that was just finished. It's titled the Mega Project Excellence: Preparing for Alberta's Legacy, An Action Plan. This document initiated and funded by the government of Alberta is the culmination of discussions that began in May of 2004 with major energy producers to develop solutions and strategies to address the megaproject cost overruns and skilled labour shortages, the major emphasis being unique demands in Fort McMurray.

2:40

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

Mr. Martin: Thank you, Mr. Speaker. I'd like to table a letter signed by Georgina Szoke. Ms Szoke is concerned that the decision of the Canadian Cattle Identification Agency to require cattle sold by September 1, 2006, have an approved RF ID tag causes duplication and further expense to already beleaguered cattle producers.

The Speaker: The hon. Member for Edmonton-Manning.

Mr. Backs: Thank you, Mr. Speaker. I'd like to table a couple of documents here. One is the latest Stats Canada figures on construction unemployment in this country by province. Some figures, for example, are 37.9 per cent in Newfoundland, 23.4 per cent in Nova Scotia, 14.8 per cent in Saskatchewan, 16.4 in Manitoba, and also five copies of each of five letters from people protesting temporary foreign workers in the oil sands in Alberta.

Thank you, Mr. Speaker.

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

Mr. MacDonald: Yes. Thank you, Mr. Speaker. I have two tablings this afternoon. The first is a letter dated March 21, 2005, to the hon. Minister of Energy from myself requesting the resignation of Mr. Martin Merritt, the market surveillance administrator, and his quick response on March 23 to my letter, indicating that he would not do so.

Thank you.

Vignettes from Alberta's History

The Speaker: Hon. members, our historical vignette of the day is that on April 5, 1908, the first dial telephones in Canada for general use were put into service here in the city of Edmonton.

head:

Orders of the Day

head:

Government Bills and Orders

Second Reading

Bill 26

Corporate Tax Statutes Amendment Act, 2005

[Adjourned debate March 24: Mrs. McClellan]

The Speaker: The hon. Member for Edmonton-Rutherford.

Mr. R. Miller: Thank you very much, Mr. Speaker. I rise today to participate in second reading of Bill 26, the Corporate Tax Statutes Amendment Act, 2005. As with many of the bills that we're dealing with in this spring sitting of the Legislature, this particular bill appears to be primarily of a housekeeping nature bringing Alberta into line with some of the changes that have been made at the federal level. I can indicate right up front that I will be recommending to my caucus colleagues that we vote in favour of this particular bill.

Mr. MacDonald: Is the whip on?

Mr. R. Miller: The whip. Well, that's a good question. The whip is on, Hugh. The whip is on. I'll take great pleasure in providing you with a whip if that's what you're looking for. [interjections]

An Hon. Member: Focus.

Mr. R. Miller: I'm trying very hard to focus.

The Speaker: The Member for Edmonton-Rutherford does have the floor.

Mr. R. Miller: I thought I did, Mr. Speaker. Thank you.

Mr. Speaker, I understand from the comments of the Minister of Finance when she introduced the bill the other day as well as from some of the research that I've been provided with that primarily this bill will command companies to file a notice of objection with the provincial government, or at least a copy of their notice of objection that they file with the federal government must be provided to the provincial government as well. The bill introduces penalties for corporations that do not comply with that provision and as well addresses various tax evasion potentials, I suppose you could call them, for corporations transferring property to other corporations that may not necessarily be at arms length for less than what would be considered to be a fair market value.

I do question a little bit the need for commanding an Alberta corporation to provide the Alberta government with a copy of that notice of objection when, in my mind, it might have been easier just to have the federal department responsible CC the Alberta government when they receive that, thereby removing the onus on business to do that. I know that the minister in her comments the other day indicated that she didn't think this was an onerous task to ask Alberta businesses to do, but I would suggest that perhaps if we would work on fostering a better relationship with the federal government and its various departments, we might be able to convince them to supply that information to us as opposed to demanding that local businesses do so.

As well, the penalties for not complying with that seem to be particularly harsh, Mr. Speaker: a percentage of the refund – I believe it was 5 per cent – up to a maximum of \$10,000. If the task is not so onerous, certainly the projected penalty would appear to be quite onerous.

Now, Mr. Speaker, a couple other questions I suppose would be relevant in terms of asking. As always there's a question as to what exactly constitutes an arm's-length corporation versus not an arm's-length corporation. I understand that some of that is addressed in the legislation, but certainly there would be room for debate and perhaps some amendments at committee stage. Then, of course, the question of what is fair market value and how that will be determined.

I can say that my researchers and myself consulted with a number of stakeholders – particularly, the Canadian Taxpayers Federation, the Canadian Federation of Independent Business, and the Canadian Association of Petroleum Producers – all of whom indicated that they had no particular concerns about this bill and understood that, in fact, we were in compliance with federal regulation and toughening up some of the regulations in terms of making sure that companies aren't hiding or evading property in order to avoid paying their corporate income tax obligations to the province.

With that, Mr. Speaker, I think I'm going to take my seat and allow any others who have any comments to make them at this time. Thank you.

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

Mr. Martin: Well, thank you, Mr. Speaker. I don't have a great deal to say other than some clarification. As the previous speaker mentioned, it's mainly housekeeping to bring us closer to federal regulations, which seems to make sense. What also seems to make sense is that it seems to be closing some tax loopholes. I suppose that allowing companies a little more leeway with respect to filing or refiling their tax assessments may eventually lead to greater compliance with existing tax laws. So, all in all, as I say, it's a housekeeping bill.

The question that I have, which I hope the minister would refer to when she goes through the Blues, is on the one change allowing corporations to report changes in the reports after they're filed with the Alberta government by giving the minister the ability to waive or postpone. I don't know what would cause that, that we'd go back. It seems to me somewhat unusual that we hand in a report like we do with the Chief Electoral Officer or somebody else, and then after the report is over, we can waive it and change it. There may be very good reasons to do this, but they escape me at the moment. So that's sort of one of the questions I'd like to put on the record, Mr. Speaker.

The other falls along the same line. Under 5(3) on page 4 this bill also allows the minister to postpone fines for a period of 12 months for corporations that fail to comply with reporting procedures or make mistakes or find new information with respect to their tax assessment. I guess in a world where we're all taxpayers, we'd like to postpone our fines for 12 months if we owed money to tax collection. Again, there may be a legitimate, very good reason for this, but on the surface it seems to be somewhat favouritism that others of us won't have. But I'd be interested, Mr. Speaker, in the minister's reasons for those two areas.

Other than that, I don't think there's a great deal here that concerns us, and I'll allow other speakers to participate in the debate. Thank you.

2:50

The Speaker: Hon. members, Standing Order 29(2)(a) is available.

If not, then I'll recognize the hon. Member for Calgary-Varsity.

Mr. Chase: Thank you, Mr. Speaker. My suggestions have to do with clarifications, things that I would like to see included in the corporate tax amendment bill. One of the corporate taxes that I see in this province as being unnecessary is health care premiums. A number of corporations as well as individual Albertans have to pay hundreds of millions annually in terms of health care premiums, and this is one form of tax that I would like to see abolished both for individuals and businesses. We have the royalties in this province to offset those costs, and I would like to see them offset.

Another area in the area of taxes that I see is the potential for a royalty review. In 1992 Minister Rick Orman, at the time when the price of a barrel of oil was considerably low, reduced the royalties by two-thirds, and they haven't been increased since. I'm not suggesting that the government should unilaterally raise those royalties, but given the price of a barrel of oil being over \$50, I think it's time for Albertans to capture a greater degree of their nonrenewable resources. I think the government, instead of talking about reducing royalties further with schemes like roads for royalties or rail for royalties, needs to with industry input consider: should these royalties be reassessed?

I'm also concerned about the lack of clarification when it comes to collecting these corporate taxes, these royalties. There doesn't seem to be a delineation between what is an old tar sands project that is simply being added to and what is a brand new project. This is the Firebag business that came out. What muddies the whole process further is that Peter Elzinga at one point was advising the Premier while also being a consultant for the private oil company who was claiming that Firebag was simply an extension of an ongoing project. So if we don't know exactly what is new and what is old, Albertans are not receiving their royalties, and I'm very concerned about that.

Thank you.

The Speaker: Hon. members, Standing Order 29(2)(a) is available. Additional members?

Hon. Member for Leduc-Beaumont-Devon, did you want to close the debate?

Mr. Rogers: Thank you, Mr. Speaker. It is my pleasure to close the debate on second reading of Bill 26. As has been mentioned in some of the previous discussions, a number of these amendments are in fact housekeeping, but there are a couple of significant amendments to the bill. I would encourage all hon. members to support second reading.

Thank you.

[Motion carried; Bill 26 read a second time]

Bill 31 Real Estate Amendment Act, 2005

The Speaker: The hon. Minister of Government Services.

Mr. Lund: Thank you, Mr. Speaker. It is my pleasure today to move second reading of Bill 31, the Real Estate Amendment Act, 2005.

Just a bit of background. On July 1, 1996, the Real Estate Council of Alberta, also known as RECA, became responsible for administering the Real Estate Act. RECA is mandated to protect consumers involved in real estate transactions and to provide services that enhance the industry and the business of industry members.

Now, an assurance fund was established for real estate agents in 1985, and mortgage brokers were included in 1998. The assurance fund is financed by levies placed on industry members and pays

judgments to a regulated maximum. Mr. Speaker, key elements are proposed to ensure that protection under the Real Estate Act is confined to consumers in keeping with the original intent of the act. The amendments will clarify the intent of the assurance fund and preserve its viability for consumers.

The Real Estate Act currently does not specify who is entitled to claim from the fund. The proposed amendments would specify that the following persons are not able to claim from the fund. They are financial institutions such as banks, credit unions, and loan corporations, or any person who in the opinion of the Real Estate Council knowingly participated in the fraud that led to their claim or was wilfully blind to the fraud that led to their claim. The documentation requirements for claiming from the fund are presently set out in the real estate ministerial regulation. The proposed amendment will move these requirements to the Real Estate Act. This is to strengthen their legal effect.

Mr. Speaker, in addition, amendments are proposed to the regulation-making powers in the act to provide clearer authority for some existing regulations and to delegate the authority of four regulations which are being brought into the act and to create new regulation powers.

The remaining amendments are housekeeping and will clarify how the court judgment becomes final. The proposed amendments will not affect any applications made for compensation based on judgments already issued.

Now, in summary, the proposed amendments will ensure that protection under the Real Estate Act is confined to consumers in keeping with the original intent of the act and ultimately preserve the assurance fund's viability.

Thank you, Mr. Speaker.

The Speaker: The hon. Member for Edmonton-McClung.

Mr. Elsalhy: Thank you, Mr. Speaker. I'm pleased to rise to contribute to the debate on Bill 31, the Real Estate Amendment Act, 2005. Going over the proposed amendments, I don't really disagree with the hon. minister. I think that by saying so, I am proving once more that our purpose or our role as opposition is not, as some people would make the public think, to complain or stall. We're here to advise and facilitate when good legislation is needed. This is one more example of such a situation, and I commend the hon. minister.

The ultimate goal is always the protection of the consumer or the taxpayer or the citizens of this province by strengthening legislation that achieves this outcome. I am for it and I support that.

This bill actually excludes banks and financial institutions and trust corporations and big entities from being able to access the real estate assurance fund. I think not only as a legislator but as a layman or as a consumer myself I would support this because when I as a consumer or as a potential buyer of a house or an apartment enter into a transaction and then am faced with an unscrupulous broker or agent who defrauds me of my money – and, you know, to a consumer or a citizen this is their life savings, for example – it is tremendous. It is sort of a life-or-death situation.

A bank or a granter of a loan or mortgage: yes, they suffer losses, but I don't think that it's as detrimental to them as it is to a person or to a citizen. I don't want to sound like I'm trying to exclude them from reclaiming or regaining some of the damages that they might have incurred, but really I think that first and foremost we have to look after the citizen, the private person, the taxpayer, the person who entered into such a transaction, because they're affected more. Their suffering or their pain or their loss is more pronounced. It's more detrimental to them.

3:00

So, yes, I agree with the intent of this bill. You know, the banks or the mortgage granters or financial institutions or trust companies, these big entities have other ways of recuperating their losses or their damages, and I think they can also afford insurance on their own whereas a person, like I mentioned, you know, entering into a transaction like this doesn't have that luxury. I think they should have first access, or first dibs, into this fund.

I know that this fund is not big as it is, so it might not be adequate to repay or compensate more than maybe 10, 15, 20 fraudulent transactions per year. If the banks or the financial institutions try to access this fund, they will probably totally deplete it within one or two transactions only. So I think this negates the purpose of the fund, and that's why I emphasize my support for this bill. It really clarifies who has access to this fund and who shouldn't.

I just have one question very briefly. Section 4 amends section 84 of the current act in subsection (g), which used to prescribe the times within which a claim against the fund could be made, and now it's removed. I know that maybe the rationale would be that it alleviates the concern that, you know, some people would challenge the timeliness of these decisions, but I'm also concerned that by doing this, we might be cutting off some people who might have been delayed for some reason or another, like maybe they didn't file because they didn't know that the fund existed.

Maybe we need to advertise more, you know: "Have you been victimized? This fund is there for you and for your protection." Maybe they weren't aware of it or maybe they had other things that prevented them from filing in an appropriate time. By removing this and maybe moving it into the regulations – I'm not sure what's happening there – this could possibly undermine some people's ability to access the fund, or it might actually cut them off altogether. So I think maybe this is a point of clarification.

As with any piece of legislation, I'm a little uncomfortable. Usually the trend now is basically to strengthen regulations and maybe make the act smaller or more bare bones. I can see it sometimes being necessary when things are evolving and changing on a day-to-day or a month-to-month or a year-to-year basis, and the government doesn't want to amend the law every time. Fine. But in situations like this, I think the essence is clear, the mechanism is clear, so why go to regulations with such fervour?

Having said that, I think again I emphasize that I support this bill. It's good, and it makes sense to me. I would take my seat and allow other people to participate in the debate.

Thank you.

The Speaker: The hon. Member for Edmonton-Calder.

Mr. Eggen: Thank you, Mr. Speaker. I, too, rise this afternoon in support of Bill 31 with some reservations, but I suppose that's the function of second reading, to seek some clarity, perhaps, in bills in general and 31 specifically here. I think that as the previous speaker had noted, this is a way to keep the real estate fund viable. My understanding is that there was quite a large lawsuit from banks from September or from August that had the potential to actually break this fund. By removing banks, loan corporations, trust corporations, credit unions, or treasury branches from being eligible for compensation from the real estate assurance fund, I think that this leaves it open as a safety mechanism for individuals to be protected from fraud or indiscretion in the real estate market. So this certainly is a useful thing.

I think it's fine to see the government exercising its regulatory powers. Once again, as I've said many times before in the last few days, in fact the function of this House is to regulate different

industries. There's nothing wrong with that in any way. You know, this helps to make the real estate board a much more viable operation. While perhaps banks and lending institutions may be less than happy with this change, I think that these institutions have the capacity to protect themselves through their own insurance systems and resources, so I don't think we need to be so concerned about that.

There are, as I said, some clarifications that I would like to bring forward at this time. For example, I think that under this new bill any applicant to this real estate assurance fund would only have a year to do so. I think that one of the arguments from the court case with the banks was that their case was too complex for resolution within even the three-year time period. Moving it down to a one-year time period I think has some further potential problems because, of course, real estate and civil suits can be indeed quite complex and take up a lot of time. So perhaps one year before a deadline is not enough for an applicant to receive judgment from this fund.

Other than that, I don't see a great deal of difficulty with it, although I think that we need to seek clarification on the issues that I've brought up. Thank you.

The Speaker: Hon. members, Standing Order 29(2)(a) is available.

On the question-and-answer period, Edmonton-Decore?

Mr. Bonko: Not so much a question, Mr. Speaker, but just to add to the discussion.

The Speaker: We'll make sure that no one wants to participate in the question and answer. None? Then we'll recognize the Member for Edmonton-Decore.

Mr. Bonko: Thank you, Mr. Speaker. I'm pleased to speak on Bill 31, the Real Estate Amendment Act, and I'll try not to repeat things that have already been said. I think first we have to recognize that we're talking about the single largest purchase that an individual or a family may be making. They'll spend a great deal of time researching their purchase, but the market moves so fast and is based on the emotions of anxious people: the lender of the money, the bank or the broker; secondly would be the client; and third would be the agent.

There tends to be pressure. Banks want you to lock in for a time certainty to ensure that the lending rate does not move up, causing the client to pay more as a result of a percentage or two. The agent might want to apply pressure to the clients, indicating that others are wanting to view the place and maybe accepting offers. As well, I'm sure everyone's heard this line before: "What you look at today and what you're considering sleeping on, someone has looked at yesterday and has already slept on it. Your tomorrow is their today. So you'd better sign on the dotted line and make an offer."

When money is involved, rational people become irrational, and they get caught. This act states that it will be providing some protection against unscrupulous people. There are many examples. People have bought homes three or four times between themselves and flipped them, making a good profit, leaving a large mortgage in its place with only three-quarters of the value. Now, this wouldn't protect the banks but would in fact protect the consumers. There are a lot of potential places for abuse. The most well known was the Alberta Treasury Branches and West Edmonton Mall, but this will probably remain on the X files for some time.

I mentioned earlier mortgage fraud in Edmonton. We have a very limited ability to track and work with property and mortgage fraud because of the lack of resources or people in place. This bill could

also expand to include mortgage fraud. It also sets the base to perhaps add to this bill or to create a new bill to include mortgage fraud. The bottom line is that consumers need to have assurances that there is legislation in place for protection for the consumer that would in fact provide compensation for them in the event of fraud.

Who are these consumers that I speak of? Well, Mr. Speaker, my constituents of Edmonton-Decore and, of course, other constituents here within the Assembly. As I mentioned in my maiden speech, there are areas within my area that are being developed and are already developed, and this act does in fact enforce for misleading promotions. One that would attract buyers, when I look at the map of new developments, would be clients considering purchasing a brand new home. They come to the location, and in fact when you go into the show home, they have a map drawn out with the vacant lots and proposed school sites.

3:10

Now, I know full well from being on the school board that we don't have that many school sites available. When I was campaigning as a trustee, I came to several new, developing areas where they asked, "When is the school going to be built?" They were sold the home on the pretense of the potential school site. I think the act could go as far as having the broker or the builder for the home consult with schools so that they do not have included on the maps potential school sites knowing full well that there will never be a school built in this area. I think it's misleading, and to not inform the consumer of that could be a grey area that could be in fact brought into this bill.

Just a few examples, Mr. Speaker, as to things that this bill could be looking at and that I would hope that the members would be looking at as the days lead on.

I'd move to adjourn debate, then, when done, Mr. Speaker.

[Motion to adjourn debate lost]

The Speaker: Additional speakers? The hon. Member for Edmonton-Rutherford.

Mr. R. Miller: Thank you, Mr. Speaker. I guess I'm rising to speak to Bill 31, the Real Estate Amendment Act, 2005. I believe that a lot of the points that I would like to touch on perhaps have already been mentioned by some other hon. members, but it really does call into question a number of things that I would like to reiterate.

Particularly, my hon. colleague from Edmonton-McClung asked again: why the rush to move so much, apparently, from legislation into regulation? Yet in one particular instance we're actually, to the credit of the minister, moving a regulation into the act. I would suggest that in the interests of democracy and openness and transparency for all Albertans, this is the direction I would like to see us taking much more often, not just in particular with respect to Bill 31, Mr. Speaker, but in fact with any number of bills that we're debating.

I have made the argument many times in the past that it seems to be the pattern of this government to move more and more legislation out of the act and into regulation and thereby have it dealt with behind closed doors by Executive Council without any input from the public, without any public debate, without any transparency for Alberta taxpayers and Alberta citizens to see. Certainly, that would be my major concern with this particular bill, that once again we seem to be moving more and more legislation out of the act and into regulation. I'm really not sure why.

Since second reading is to speak to the principle of the bill, that would be my concern: the principle of moving all of these various

areas into regulation. I'm not sure what the rush is for that, and I really question whether or not it's in the best interests of Albertans and the various stakeholders in this case to be doing so.

Those would be my comments, Mr. Speaker. Thank you.

The Speaker: Hon. members, Standing Order 29(2)(a) is available. The hon. Member for Edmonton-Beverly-Clareview.

Mr. Martin: Thank you, Mr. Speaker. While the minister is here, a couple of questions. Clearly, this group was self-regulating, and obviously they couldn't self-regulate because of the suit. I believe it was the Royal Bank that created the problem.

I'm wondering. On the surface it always looks good that we are going to protect the smaller people with their mortgages, and we're going to go after the banks, you know, the bigger banks because they can do their own insurance and the rest of it. I certainly have no problem with that, but I always know that where there's a yin, there's a yang. I wonder if the minister, when he concludes debate or somewhere along the line, would indicate to us: what is the possible implication? I'm sure that he's had some discussion with the banks. If they're not able to access this fund, what have they said that they would do? How could that impact people that have mortgages within the bank and the rest of it? Is there a problem that the banks could come back on individuals that we're trying to protect here in a different way? I'm sure that the minister has had some discussion, probably had some concerns about that. I'd be interested in him bringing it back to us.

Thank you, Mr. Speaker.

The Speaker: Hon. members, Standing Order 29(2)(a) is available.

Mr. Chase: I hope that within the act itself and within the amendments to the act there is protection for the property owner in terms of the possibility of identity theft and, in this case, property theft. We've had examples in Calgary where seniors have gone south only to find that their property had been falsely put up for sale in their absence. This kind of concern was brought to me by one of my constituents. Along the line of identity theft I'm hoping that within the Real Estate Amendment Act there are titles and searches that are required and identification that the individual actually is the owner of the property so that they don't have any surprises when they get back from a vacation.

Thank you.

The Speaker: Hon. members, Standing Order 29(2)(a) is available. Then, shall I call on the hon. Minister of Government Services to close the debate?

The hon. Deputy Government House Leader.

Mr. Stevens: Thanks, Mr. Speaker. I move that we adjourn debate.

[Motion to adjourn debate carried]

Bill 32

Animal Keepers Act

The Speaker: The hon. Minister of Agriculture, Food and Rural Development on behalf of the hon. Member for Dunvegan-Central Peace.

Mr. Horner: Thank you, Mr. Speaker. It is a pleasure for me to rise today and move second reading of Bill 32, the Animal Keepers Act.

The current act, the Livery Stable Keepers Act, stipulates that any

person caring for animals can put a lien on those animals and then sell them at a public auction in order to recover unpaid costs associated with their care. This proposed act, the Animal Keepers Act, will replace that legislation, providing simpler, more modern, and straightforward language. The new act also includes revisions to deal with surpluses and dispute resolution.

The primary objective of Bill 32 is to provide animal keepers with a mechanism to recover costs associated with stabling, boarding, feeding, and caring for an animal. Under the act the person caring for the animals can put a lien on the animals and sell them to recover unpaid costs associated with their care such as feed, labour, and facilities. The act's strength lies in the fact that these liens have priority over existing liens or security interests as defined under the Personal Property Security Act.

The current wording of the Livery Stable Keepers Act best reflects application within the horse industry, although the act is used extensively by the cattle industry. For that reason, we consulted extensively with the cattle industry and other stakeholders in drafting Bill 32. As a result of these consultations, the proposed wording better reflects the application of the act by the cattle industry and other keepers of livestock. For example, the proposed act provides for flexibility in the method of sale to better reflect the method of sale common to cattle and hog producers. Animals can now be sold through public auction or in a commercially reasonable manner.

As well, provisions have been made to accommodate a sale of only some of the animals to satisfy an outstanding lien. Proceeds from the sale are applied against the animal keeper's lien and towards any costs associated with the sale such as advertising or transportation. Any surplus is then directed to the owner or another party who claims the surplus.

The current act specifies that surplus proceeds not claimed by the owner go to the Minister of Finance, and after one year unclaimed surpluses flow into the general revenue fund. The proposed changes would see unclaimed surpluses directed to the minister of agriculture instead of the Minister of Finance. These surpluses would be held in general revenue for one year, after which unclaimed funds would remain in general revenue.

3:20

While the proposed act is easily interpreted, we made sure to include a specific definition of animal to ensure that this act is narrowly applied to livestock rather than all animals. The changes mean that animal keepers can implement the act themselves at minimal cost and with little involvement from the legal system or government. As a result of the changes I have outlined, Mr. Speaker, the act is much more straightforward and should be easily interpreted by animal keepers.

Mr. Speaker, that sums up the nuts and bolts of the proposed act, and I encourage all members of this Assembly to give their full support to Bill 32.

I am moving second reading. Thank you.

Mr. Chase: Again, this is more in the area of clarification, and it may come out in the Committee of the Whole. Given the types of animals that are kept and nondomestic – I'm talking alpacas and llamas and our disputes over whether elk and deer should be kept and, of course, bison, and so on. I'm assuming that these types of animals that are produced for either their meat or their wool would fall under this act. So possibly at some point that clarification could be provided.

Also, in the Animal Keepers Act it appears, just basically as the member opposite stated, that after a year following a sale of animals potentially taken in the event of a farm collapse or a failure, if

members of the immediate family didn't lay claim to the residual funds, they would be out of the loop, so to speak, within that time period. I'm just wondering if there are any safeguards within the keepers act whereby there is a notification of the extended family that this money is due to them or if that's strictly their responsibility to find that information out.

So any clarification along those two lines would be appreciated. Just what are concerned, animals for sale versus the domestic? I realize that it's kind of a rural versus urban question, but I do appreciate the information.

Thank you.

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

Mr. Martin: Thank you very much, Mr. Speaker. To the minister: we appreciate that Mr. Goudreau took some time to advise us, to go through the bill with our staff. That was appreciated. The bill seems to make a lot – if it's common sense, then we should support it.

I'm just wondering, though, in terms of the need for the bill, why it's being brought forward now. Are we facing some more serious problems than we faced in the past because of the BSE crisis or anything like that? Or has this been on the line for a while? It seems to me to make sense. As I understood it, before there was no flexibility at all. You sold, and that was it. This way there's some flexibility, which is probably good for both parties. I take it that that's the nature of the bill, but I was just wondering if this had been a growing problem recently, if that's why we brought in the bill. Or is it just, as I say, housekeeping?

Thank you very much, Mr. Speaker.

The Speaker: Hon. members, Standing Order 29(2)(a) is available.

There being no additional participants, then the hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Thank you very much, Mr. Speaker. I have a few comments in regard to Bill 32, the Animal Keepers Act. Certainly, the first part of my remarks would be to express gratitude to the hon. Member for Dunvegan-Central Peace for being kind and gracious with his time in regard to Official Opposition staff.

Whenever we're looking at repealing the Livery Stable Keepers Act, I thought it would be interesting to see how long this statute had been on the books, so to speak. Certainly it goes back to 1980, but I suspect it goes back a lot further into this province's history. It may be one of the very first statutes that this Legislative Assembly debated. It's kind of ironic that after all these years and the anniversary of our centennial, here it is being repealed, and it is being replaced by Bill 32, the Animal Keepers Act.

Certainly, as I understand it from the hon. Minister of Agriculture, Food and Rural Development, the main idea of the Animal Keepers Act is to clarify payment of liens for care of animals to animal keepers, and this could include stable owners and feedlots. It changes the requirements of the act before animals can be sold to cover defaulted payment.

Now, there are some changes in this act when you compare it to the repealed Livery Stable Keepers Act, but market changes in the sale of animals from public auction, which the bill demands when certain livestock are sold, is part of this. This new act allows for different types of sales that are more common. Times have changed, as I say, since we introduced this act. I have had a review of this section analysis, and I think it is acceptable. There are some needed updates from the previous legislation, as I stated, and these updates are needed to move this piece of legislation into the modern marketing practices of farming.

I do have one question for the hon. minister at this time, and if we could perhaps get the answer in committee, that's fine. In section 7 we're laying the groundwork for another delegated authority, and that could be established under the Livestock Identification and Brand Inspection Act. This has been an idea that has been discussed in this Assembly in the past, and I would have to ask: why do we need this delegated authority when we need to ensure confidence, particularly with cattle, in our identification system?

I think our identification system is far superior to other jurisdictions', certainly jurisdictions across the border. Our identification system has been declared excellent by many bodies, including international organizations, which are very confident that this identification system should be employed by other jurisdictions. So we are setting the groundwork for delegated authority to perhaps, as I understand it, take charge of this. I don't know, in light of the BSE issue, that this is a good idea. If the minister could clarify that for me during committee, Mr. Speaker, I would be very grateful.

Overall, I think this act is a step forward into the modern practices of agriculture in Alberta. Hopefully, all animals which are mentioned in the definitions will be included certainly in its scope. An animal is referred to as "cattle, horses, swine, sheep, bison, deer, elk, goats, mules and asses."

Now, the hon. Member for Calgary-Varsity has a very good question there, and I would be interested to hear the answer in regard to llamas and alpacas and those animals who are now routinely seen in the Alberta countryside as one drives around. I, too, would be interested to know if they're covered under the definition in this act.

With that, Mr. Speaker, I will take my seat, and I will look forward to continued debate on Bill 32, the Animal Keepers Act. Thank you.

3:30

The Speaker: Hon. members, Standing Order 29(2)(a) is available. The hon. Member for Cardston-Taber-Warner on the question and answer section time. Do you have a question?

Mr. Hinman: No.

The Speaker: Okay. Are there any questions?

Then we'll recognize the hon. Member for Cardston-Taber-Warner.

Mr. Hinman: Thank you, Mr. Speaker. Just a few questions that I would like to ask the minister. I haven't had the time to read it as closely as I wanted to, but one of the concerns in rural areas quite often is that we definitely have some animal owners that don't keep up their fences and understand the importance of this act.

Just going through it quickly – and like I say, we're moving along so fast today I'm not keeping up to the things that I wanted to do – the question that I have is: I don't see notification to the owner, to try and find the identification and notification of the owner. Sometimes there are also those neighbours that go out of their way to round up and to bring cattle in, and the notice isn't given to that owner until there's a fair substantial bill on there. Then the debate is, you know: where and how did these animals get out? If that notification is in here, I'm grateful for it, but if not, I wonder if they'd consider putting something in there to have due diligence to make sure that those animals are tried to trace back and the owner given notice as quick as possible.

Generally, I'm pleased with the overall bill and think that it's great that we're looking at trying to shortcut areas and to reduce the necessity of going to the courts to recuperate money when people are

in the problem of having stray animals and having to look after them.

Thank you.

The Speaker: Hon. members, Standing Order 29(2)(a) is available. The hon. Member for Edmonton-Rutherford.

Mr. R. Miller: Thank you, Mr. Speaker. My comments will be brief, and I'm sure the members opposite will appreciate that. I'm going to primarily just echo the comments of my colleague from Edmonton-Gold Bar in that I think this is, in general, a good bill and probably, as he suggests, brings us up to speed on a version of a bill that has likely been around for a hundred years.

I really only have two points that I would seek clarification on when we get to committee stage, so hopefully I'll have the opportunity to be here for that. If not, I'd like to put them on the record now, and then perhaps the minister or the member who moved the bill would be able to address those.

There's been a little bit of discussion already, Mr. Speaker, about the definition of the word "animal," and I understood from the mover that a great deal of time and effort went into identifying and clarifying exactly what is meant by the term "animal" in this bill so as not to include pets or smaller animals like chickens or hamsters or something, I'm sure. A number of members have mentioned llamas and alpacas as livestock or potential livestock that should perhaps be considered in this act. While I was sitting here listening intently to the debate this afternoon, I was also in my own mind thinking of emus and ostriches. I'm not sure whether or not they classify necessarily as livestock, but certainly in terms of size and strength and agility they would most likely require the same sort of attention that is afforded to cattle and horses and so on as outlined in the bill.

So I would hope that once we get to committee, there can be some addressing of that definition and perhaps a broadening of it to include all large livestock and game that might be raised for a commercial purpose.

The only other thing that kind of caught my eye, Mr. Speaker, was that the Livery Stable Keepers Act, as it's currently called, has requirements in it for the cleaning of barns and fines for not completing that cleaning. I note that the fines were, I believe, \$10 and \$25, which obviously must date back to at least 1980 if not farther. I don't dispute the need to either dispense with identifying a particularly low number or perhaps dispense with identifying the fine at all, but I do question why we would remove the requirement of barn cleaning given that we've seen some particularly horrendous examples of livestock that were not looked after in this province and the devastation that can be caused to the herd if, in fact, we don't provide them with a safe and healthy place to bed down at night. So that would be the other thing that I would hope that once we get to the committee stage can be addressed as to why we're leaving out that particular requirement.

I note that in the new bill that's come forward, the Animal Keepers Act, we simply define the animal keeper as being "responsible for the proper care of the animals in accordance with accepted industry standards." Now, perhaps this is another example of where those standards are going to be defined in regulation as opposed to having them defined in legislation, but I guess I'll have to wait until we get to the committee stage to hear the answer on that.

Thank you, Mr. Speaker.

The Speaker: Hon. members, Standing Order 29(2)(a) is available.

Shall I call on the hon. Minister of Agriculture, Food and Rural Development to close the debate? The hon. minister.

Mr. Horner: Well, thank you, Mr. Speaker. Some very good comments, and I'll be very brief. We will talk a little more about some of the questions in Committee of the Whole. I certainly took note of the very generous comments as to the hon. Member for Dunvegan-Central Peace and the consultation that he did with members of the opposition. I also want to commend him for doing that.

Just a couple of notes on notice. It was raised a couple of times by some of the members, Mr. Speaker. In the bill sections 7 and 8 are the sections where notice is applied, if the members wanted to have a look at that prior to us going to Committee of the Whole.

Aside from that, Mr. Speaker, I thank all members very much for their support on the bill.

[Motion carried; Bill 32 read a second time]

Clerk of Journals: Government Bills and Orders for second reading. Bill 33, Stray Animals Amendment Act, 2005. The hon. Mr. Horner.

The Speaker: Hon. members, before I call on the hon. Minister of Agriculture, Food and Rural Development, just an update. The distinguished young lady at the Clerk's table today went away last week to Jamaica and came back married.

Bill 33 Stray Animals Amendment Act, 2005

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

Mr. Horner: I didn't get my invitation, Mr. Speaker.

The Speaker: Pardon?

Mr. Horner: Sorry.

Thank you, Mr. Speaker. It's a pleasure for me to rise today and move second reading of Bill 33, the Stray Animals Amendment Act, 2005.

As I said during first reading, Bill 33 will clarify the use of the Stray Animals Act and will provide regulatory authority to protect property and promote public safety. Most of the changes proposed in this bill will simply improve the operation of the act that originally came into effect in 1977. Through the years various amendments have been enacted; however, the basic principle of the act remains the same. Under this act the owner of the animal in trespass continues to be liable for damage and/or expenses attributed to the livestock.

[The Deputy Speaker in the chair]

Bill 33 is a money bill because the amendments address how reasonable expenses in relation to livestock trespass can be recovered. Public monies collected through the sale of stray animals by public auction will be held in a trust account. These funds can then be drawn upon to address the expenses and damages associated with an animal in trespass. If the funds from the sale of an animal do not cover the expenses attributed to it, the owner will continue to be responsible for reasonable expenses incurred by the individual capturing the stray animal.

3:40

Under the act a person who captures and confines livestock in trespass must notify an inspector. A statement of capture sent to the

inspector details any expenses incurred by the person capturing the stray animal. Expenses may be incurred and recovered in relation to capturing, confining, impounding, identifying, maintaining, transporting, and selling livestock in trespass. Identification expenses are included as a valid expense. For example, the expenses that may be incurred when identifying livestock with Canadian Cattle Identification Agency tags. As well, expenses incurred to ascertain the owner of the livestock are included. The act also proposes that the person capturing the animal must notify the animal's owner if known.

Bill 33 will also provide regulatory authority to control designated species in order to protect property and promote public safety. An example of when we would enact this is in the case of wild boar that have escaped confinement, a major concern in some communities. Under the act if necessary the province would be able to enact a regulation to register wild boar producers, identify their animals, and deal with wild boar running at large. The act will allow the province to be much more effective in controlling these designated species.

In preparing the amendments to the Stray Animals Act, we consulted extensively with our stakeholders and believe we had their full support. Recently, Alberta Agriculture, Food and Rural Development and Livestock Identification Services undertook a joint legislative review of legislation relating to brands and brand inspection in Alberta. The Stray Animals Act was also included in this legislative review process.

As part of this legislative review, two stakeholder consultation processes occurred. In January 2003 a discussion paper and questionnaire were distributed to 225 industry organizations and other stakeholders. In December of 2004 a second discussion paper and proposed amendments were distributed to 310 stakeholders, and four public meetings were conducted. We consulted with Alberta's livestock organizations, municipalities, counties and municipal districts, breeders and pedigree producers, cow and calf operators, feeder and background operators, licensed livestock dealers, and auction marts.

The proposed amendments were well received by stakeholders, and their input was taken into consideration when drafting the bill. For instance, several municipalities requested that the act provide for a grazing use exemption so county road allowances need not be fenced off. As a result, we included this exemption.

In conclusion, Mr. Speaker, I believe the proposed changes strengthen the current legislation and effectively deal with animals in trespass. That being said, I would encourage all members of this Assembly to give their full support as I move second reading of Bill 33.

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

Mr. MacDonald: Yes. Thank you, Mr. Speaker. It's a pleasure to rise and participate briefly in the discussion this afternoon on Bill 33, the Stray Animals Amendment Act, 2005. The highlights of this act, as I understand it, are to set up a trust account for the Crown to pay for damages caused by stray animals, and it removes the role of the assessor from the act.

Now, the hon. Minister of Agriculture, Food and Rural Development has certainly outlined the consultation process that has taken place prior to this legislation coming to the floor of the Assembly, and I'm certainly impressed with the discussion paper that was circulated and the draft amendments that were distributed to over 300 different parties. They were posted on both the hon. minister's website and other websites. Public meetings were held in the northwest corner of the province, here in Edmonton, north of Calgary, and also in Lethbridge. The feedback that we've had on

this side of the House, Mr. Speaker, indicates that the proposed draft amendments were very well received by the stakeholders. I think this is a very good consultation process.

I'm disappointed that the hon. minister's seatmate, the hon. Minister of Energy, wouldn't have more open discussions involving electricity deregulation, particularly the export of electricity. That seems to be going on without any public consultation, and I'm disappointed. So hopefully the Minister of Energy can take a page out of the minister of agriculture's operations manual and have full public consultation as part of his department's future endeavours.

Now, we'll have an opportunity in committee to do a section-by-section analysis of this bill, but on first glance it certainly is worthy of support. I believe that this bill updates the legislation that we are currently operating under, and it will provide a method for the hon. minister to limit the liability of the government by using a trust account to pay the claims from farmers that have had their property damaged by not only stray livestock but, I believe, waterfowl as well. If we could clarify that, I would be grateful.

At this time, Mr. Speaker, certainly, that's all I have to say in regard to Bill 33, and I look forward to further debate as this bill progresses through the Assembly. Thank you.

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

Mr. Martin: Thank you very much, Mr. Speaker. Again, almost all these bills seem to be almost companion bills, updating. I was interested also in the consultation with the various groups, and it seems to me that they've come up with a good bill. I don't see much that I could argue with here even if I wanted to. The bill certainly makes it easier for people. I take it that in some parts of rural Alberta that is a fairly major problem, and this bill will make it easier for people who have to deal with stray animals to care for these stray animals.

I might want to add to the consultation groups that the minister talked about. You'll be surprised. You've even got another group that we checked with. We gave a call to the Edmonton humane society and talked to the executive director, Stephanie McDonald, and she is pleased with the bill. Now, I think that's something, when you get ranchers and the humane society and everybody agreeing that this is a good bill, so I have to compliment the minister in being able to do that.

She said that expediting captured animals that have gotten loose and then returning them to their owners as quickly as possible will save the animals some suffering. She indicated that she believed that the public grazing issue was never followed or enforced with the original legislation, so it's better that it's changed. So add that as one other group, as I said, Mr. Speaker, that is pleased with this particular bill.

I think that when you can do that consultation, and you've got everybody on board, far be it for us on the opposition side to not support this particular bill. Thank you, Mr. Speaker.

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

Dr. Swann: Thank you, Mr. Speaker. I'm pleased to stand and join the debate on Bill 33, Stray Animals Amendment Act, 2005, a very constructive building upon previous legislation, from all that I can see. As indicated in the past, the assessor role was removed, and I among others would be interested in knowing the implications of that. It's not clear to me what the role of the assessor and eliminating that would mean for the effectiveness of the bill, not knowing

enough about that process and placing it all in the hands of the minister. It may well be constructive. I'd just appreciate some discussion about it. Indeed, who would deal, then, with any conflicts between the investigator assessment and the individual who is claiming expenses?

Another area of question in my mind in reading it is: what animals were included, and what animals were excluded? Maybe that's been answered in the previous bill that was discussed. Specifically, are game-ranched animals included in this?

3:50

It clearly is a very constructive bill that adds clarity, surety, and due process to people who are trying to act responsibly in the face of a stray animal and sets out the rules for where the money will go and where it will come from. The trust account gives a sense of confidence and clarity to all involved.

It places in regulation for the purposes of public safety animals that are designated dangerous. It requires persons who import designated animals to obtain a registered certificate, keeping designated animals confined. Inspectors can inspect the site where the animals are kept. This is eminently sensible.

It allows for the trapping of designated animals and the means around which an animal can be hunted, trapped, captured, or destroyed. These seem to be very important dimensions for animal handling, animal maintenance, and animal care.

So I look forward to the discussion and appreciate the opportunity to discuss further this useful bill. Thank you, Mr. Speaker.

The Deputy Speaker: Hon. members, Standing Order 29(2)(a) is available for questions or comments.

Seeing none, the hon. Member for Edmonton-McClung.

Mr. Elsalhy: Thank you, Mr. Speaker. I'm pleased to also rise and contribute to the debate on Bill 33, the Stray Animals Amendment Act, 2005. Yes, I have enjoyed listening to some of the previous hon. members who have raised most of the points I was going to raise, but I think it will not harm to re-emphasize some of them. I keep mentioning that any bill I study or go through, I approach from a layman's standpoint. You know, my approach is definitely one of trying to clarify to my constituents or to the public in general what things mean, what the law meant before, and what this amendment means to them and their daily lives and their day-to-day activities.

So I share the concern that by omitting the definition or the responsibility of an assessor, there is no clarity as to what we're doing instead. Are we delegating those duties and responsibilities to somebody else, are we asking the investigator to maybe fill in this role as well and wear two hats at once, or are we in fact putting it into the hands of the minister and saying: "Okay. You eliminated the assessor. You act in that capacity now." If that is, in fact, the case, I would argue that any situation that allows the minister to concentrate too much power would be ill advised.

Also, the aspect of moving the meat or the substance of the act from the act itself into the regulations. I appreciate that this might be necessary in some cases, but I don't think it should be the norm, and it shouldn't be the preference that every bill has to be scaled down and then the regulations expanded.

So my issue with the assessors and my issue with the regulations.

Also, there is the definition of the priorities as to which people are paid out of that fund and the order that they go in: which one takes precedence, which one is second important, which one is the third important, and so on. Actually, just going over it, I noticed that in the previous act the first person that would be paid out of the fund would be the person who is selling the livestock. Nothing wrong

with that, but then second to that person or that party would be the person capturing and confining the livestock. Now this is being suggested to be modified from number 2 on the list to number 5. So my concern, again, is that if I'm a farmer or rancher and I notice the stray animal, what is my incentive now if I am moved down the list of priority? Now I'm fifth, so four people come before me in trying to recover those costs or the expenses that they incurred.

One notorious phrase that many people are aware of might be applicable here: shoot, shovel, and shut up. You know, if I'm not going to recoup, what's my incentive as a person to capture that livestock and care for it and store it and then hopefully report it to the investigator and then deliver it to the person who might care for it a little more and then sell it. I don't think we're sending the right message there.

Possibly also the idea of testing it while it's in captivity. Now, that would be a good opportunity for testing for communicable diseases that might transfer or jump from one animal to another or might, in fact, actually jump from an animal host to a human host. This would be an opportune scenario to actually investigate and test during that time of captivity.

With that, there is that definition of livestock. I think one of my hon. colleagues covered that or touched on it. Why are we moving the definition of livestock from the act itself to the regulations? Would that change? We know what livestock is, and I don't see that we would omit from it unless these animals become extinct or we would add to it unless maybe we're doing some genetic engineering. So why are we removing it from the act when it should be a solid, nonchangeable definition into the regulations allowing the minister to add to it or remove from it? Again, I would appreciate some clarification there.

I just have to revisit the idea of what incentives we are giving to people to try and capture those without overburdening them and without having them down on the list of people to be compensated.

There is also the fact that there is a section that is being repealed, and it's section 40 of the previous act, requiring a person who captures one of those stray animals to report it to an investigator. Now this is being repealed. So that fits with my argument. Are we not requiring them to report it? Are we discouraging them? You know, they used to be asked to report, and now we're saying no. So I would appreciate some clarification as to the rationale behind repealing this section.

I would close by saying that this act is noble in purpose and I support it in principle, but just maybe the point of clarification so I can be more comfortable with it and know that I supported a good piece of legislation. Thank you.

The Deputy Speaker: Hon. members, Standing Order 29(2)(a) is available.

Seeing none, does the hon. Member for Calgary-Varsity wish to speak on the bill?

Mr. Chase: Thank you, Mr. Speaker. I'm speaking in favour of the act as well. What I appreciate about the bill and hope that it will address is the complication associated with under whose jurisdiction or whose responsibility the stray animal appears. For the last three springs and summers I had primarily the joy of working operating a wilderness camp in the southeast Kananaskis. One of the problems I had was the fact that in the camp I was running, the infrastructure from Community Development had not been maintained over the years, so my wilderness campground was frequently under what I would call bovine attack.

The roadbeds and so on had filled in, and therefore the cattle had easy access. Whenever the creek was down, I would find up to 60

head of cattle sort of mingling with my campers, which caused no end of confusion, particularly at 2 in the morning, when a camper would find a 500-pound beast using a tent peg as a scratching post, and his wife and children were somewhat alarmed by this bull wanting to join the family in the back of the tent. So the notion of the jurisdiction is very important to me.

One what I now look at as a very amusing circumstance occurred, again, where jurisdiction came into play. A large steer had the misfortune to die half on land and half in the creek, and I reported this death to the conservation officers. Then, in the days that followed – and I should add that it was two days prior to the first of the trans-Rockies road races through the Kananaskis, which has become an international event of great renown. We had this steer half in the water and half on land.

So the following day the road above the creek basically became a parking lot. We had trucks from Community Development there, and we had Sustainable Resources, and we had conservation; we had fisheries and forestry. And it was to a degree somewhat comical because while the various organizations were working together, some with a great deal of equipment and some without, in the intervening time a young grizzly had claimed the carcass of this dead cow.

4:00

It added greatly to the complications, under whose jurisdiction the animal now was. Clearly, based on the size of the young grizzly, it was under the bear's jurisdiction. He claimed that he had captured it and was very loathe to relinquish it. So if you can imagine a number of young conservation officers, some equipped only with their radio because they were seasonal and others equipped with a variety of shotguns with heavy shot and rifles, tiptoeing along the creek, keeping an eye out for the grizzly. Of course, their comrades at the top of the road couldn't help but growl encouragement every once in awhile.

Eventually we contacted the rancher. With all the equipment we had on hand, we were able to winch the steer out of the creek, so the fisheries truck was able to go home. Once we got it out of the forestry area, the forestry resource officer was able to go home. Sustainable Resources wished the conservation officers well, and they departed. Eventually, with the help of the rancher, we winched the steer's carcass into the back of his horse trailer, and the various officials sort of bade a fond farewell. But the whole business of the jurisdiction and who was responsible came into account here. It was a little bit like the red hen asking who was going to help plant the corn but then everybody wanting in on the harvest credentials.

So thank you very much. The Stray Animals Act will hopefully clarify the complications that I personally experienced and will make other park operators that much more appreciative of the government's efforts on their behalf.

Thank you.

The Deputy Speaker: Any questions or comments under Standing Order 29(2)(a)?

Seeing none, the hon. Member for Edmonton-Rutherford.

Mr. R. Miller: Well, thank you very much, Mr. Speaker. I don't have an anecdotal story such as that to share with you, unfortunately. I wish I did, but I don't.

I really hate to sound like a broken record, but I'm going to sound like a broken record. I know that my colleague from Edmonton-McClung mentioned it when he spoke to this bill as well, but once again we have a situation where we're moving stuff from legislation and into regulation. In fact, it seems to me that it is inconsistent with

the bill that we debated just a few minutes ago, the Animal Keepers Act. I'm really curious why in the case of Bill 32, the Animal Keepers Act, we have the definition of an animal in the legislation, and then in Bill 33, the Stray Animals Amendment Act, for some reason we're moving the definition, which as near as I can tell would be virtually identical, out of the legislation and into regulation.

So, again, I suppose, Mr. Speaker, we'll be looking for some clarification of that when we get to committee as to why in the one instance we're leaving it in legislation and in another instance, which I think one of my colleagues had mentioned a few minutes ago – actually, it was the Member for Edmonton-Beverly-Clareview who mentioned that the two bills, 32 and 33, seem to be companion bills, yet we're dealing with the definition of animals in a different fashion. I'm certainly curious as to why that might be the case and would hope that when we get to committee stage, perhaps we can have an amendment to leave the definition of animal in the bill itself.

Mr. Speaker, there's been some discussion as to the need to have that in regulation. In fact, I believe the website that was referred to by the Member for Edmonton-Gold Bar talks about the need for flexibility and therefore the reason to move the definition into regulation. This Assembly, as you will know, sits every year for sometimes both a spring sitting and a fall sitting, and that would indicate to me that at least twice a year there's an opportunity to deal with changes in that definition if in fact there were a need to do so. I would think that nothing would be so urgent in terms of the definition of an animal that we couldn't deal with it once every six months or so. So when we get to the committee stage, as I say, that will be the position that I would take and I would expect our caucus will be taking as well, that we should be leaving that definition in the legislation and not moving it into regulation.

Thank you very much, Mr. Speaker.

The Deputy Speaker: Hon. members, Standing Order 29(2)(a) is available.

Seeing none, anyone else wish to speak on Bill 33?

I'd ask the hon. Minister of Agriculture, Food and Rural Development to close debate.

Mr. Horner: Thank you, Mr. Speaker. Thanks to all of the hon. members who participated in the debate. Some good questions, and we'll certainly be bringing forward some responses to those questions in Committee of the Whole. With all this support from the other side I may have to rethink the legislation – just kidding – but I do appreciate the support and call for the question.

[Motion carried; Bill 33 read a second time]

Bill 15

Workers' Compensation Amendment Act, 2005

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

Mr. Webber: Thank you, Mr. Speaker. I rise today to move second reading of Bill 15, the Workers' Compensation Amendment Act, 2005.

Mr. Speaker, these legislative amendments are largely of a housekeeping variety. Overall, this legislation is good news for workers on two fronts. This legislation would also serve to extend the same protection to community-based members of the WCB's board of directors that virtually all government boards and agencies receive.

Mr. Speaker, the amendment proposed in section 17 of the WCA is aimed at clarifying an oversight that occurred when the corporate

structure of the WCB was changed to a board-governed model. Section 17 clarifies the wording to make clear that there shall be immunity for members of the board of directors. WCB employees are immune from court action as long as they act in good faith. With this amendment the same protection would now be extended to board members.

Good faith is a legal test that can be established by a weighting of evidence. The proposed amendment to section 17 would not provide members of the board of directors a one hundred per cent blanket of immunity. Acting in bad faith or illegally voids that protection; both are defined under law. Mr. Speaker, such an amendment would bring the same level of protection to these board members that essentially all members of board-governed agencies in Alberta enjoy. To be clear, we are talking about persons from various communities in Alberta who provide board oversight to the workers' compensation system in addition to their regular day jobs. Virtually all legislation in Alberta that creates authorities, boards, or commissions contains a provision that grants immunity to the appointed member provided they are acting in good faith.

4:10

Mr. Speaker, moving on to the second theme of these legislative amendments, third-party actions in the WCB's relationship with private legal counsel and pursuing said third-party actions. Section 22(1) through (12) and section 23(2) and section 31(1) and (2) all deal with clarifying the decades' old parameters governing the relationship between the WCB and private lawyers on third-party actions. Bill 15 would clarify the long-standing practice for how lawyers are paid for third-party actions involving WCB claimants. These amendments would close the door on a loophole that a few lawyers are attempting to exploit as a result of a single court case in 2003. This series of amendments will require private practice lawyers to observe certain standards and, perhaps most importantly, will regulate the fees they can charge.

Bill 15 also clarifies and confirms the worker's requirement to cooperate with the board on third-party actions. On third-party actions this legislation would confirm what has been happening for years in practice and what was intended, that the WCB retains and instructs the lawyers and that lawyers or firms are not allowed to charge the client more than a 25 per cent contingency fee.

Also, this would prohibit the practice used by a very few very recently of double-charging the WCB and the worker. By capping the contingency fee that legal counsel can take, this ensures more funds flow to the worker, who gets a minimum of 25 per cent of a court award. The injured worker would also be entitled to the remainder of the settlement once the cost of the action and the cost paid on the claim from the WCB's accident fund are recovered. Also, this is an employer-friendly move because more money is recovered to offset the amount of premiums that employers must pay to finance the 100 per cent employer funded system.

Finally, Mr. Speaker, the third area addressed by the Workers' Compensation Amendment Act relates to allowing WCB to pay cost of living increases, or COLA. The proposed amendment to section 60 of the WCA deals with temporary disability benefits. This legislation will permit the WCB to pay cost of living increases to workers who are on extended temporary partial disability benefits. This amendment levels the playing field so that workers on temporary disability are all treated the same benefitwise, regardless of whether their benefits are partial or total.

In closing, Mr. Speaker, this bill clarifies wording around the immunity for the board of directors of the Workers' Compensation Board. It confirms that the WCB can co-ordinate the action and regulate the fees charged by private lawyers working on third-party

civil actions and permits WCB to pay cost of living increases to workers who are on extended temporary partial disability benefits.

Thank you.

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

Mr. Martin: Thank you, Mr. Speaker. Unlike the previous bill, where there was consultation, this is exactly the opposite. This is how not to bring legislation into this Legislative Assembly. This is not a routine bill as the member has indicated. This is a very significant bill.

Mr. Speaker, just in terms of consultation, since we've got this bill, we've checked with a number of different groups, certainly labour groups and workers that would be affected by this bill. Nobody's talked to them, nobody at all. Most of the people, if I can do a couple of quotes from the Federation of Labour, have big problems with the provisions in subsections (9) and (10) that force a worker to be involved in the proceedings against the company by the WC Board. In other words, the draconian part to this is: let's say that they don't want to be involved; they have to be. They may want to go back and work with that company down the way, and they don't want to be on the opposite side there.

This is draconian and unnecessary. Just because the WCB lost a court case is not reason, then, to come in with draconian measures like this and take away people's rights. Before one brings in a bill – I thought we had an example, a very good example, Mr. Speaker, from the Minister of Agriculture and Rural Development about consultation. This is exactly the opposite: no consultation at all. WCB loses a court case, gets angry, and comes to the government and says: change this.

And there's a retroactive feature to this. Any legislation that's retroactive is wrong, as far as I'm concerned. This is draconian and unacceptable, and I'd hope that the government, if they're serious about consultation as we just heard, would go back.

Other people that we've talked to say that the tying of full co-operation to entitlement to continued benefits in section 10 is draconian. These are the words that people are using. If that was not enough, they have enabled themselves – they're talking about the WCB here – to declare past compensation to be a debt owing that is collectible. What is there in current legislation that's been a problem that there needs to be correction? I mean, this is like, you know, overkill, totally, because the WCB lost a court case. We should not be allowed to come back here and give them this sort of power. Every person that we've talked to – we did do the consulting, certainly with labour groups – they're not happy about this, and they're going to make it clear.

I just suggest to the member: where's the consultation? Unlike the previous bill, probably a lot less controversial bill, where they took the time to do this.

To come to us here today and say that this is just a housekeeping bill is absolute nonsense. This is much more than a housekeeping bill, and the member must know this. I just can't believe that the board and only the board can have sole control over whether or not to pursue any claim on behalf of a worker. A worker has no rights. WCB says, "I'm going to do it," and you have to go along. Then they give the board the power to force a worker – to force a worker – to co-operate fully in the investigation, meetings, arbitration, medical examinations, even if the worker wishes not to do so. That sounds almost like a police state to me. And you call that a routine housekeeping bill? To give that sort of power to the WCB?

Then it goes further. If the worker refuses to fully co-operate, the board may withhold payment from the worker, recover previous

payments to the worker, and then eventually, if they co-operate, they may get 25 per cent back.

I guess the point I'm making is that because the WCB lost a court case, maybe they should look at their practices. If an impartial court ruled that they're doing things wrong, then perhaps they should change the way they do things, Mr. Speaker, rather than bringing in this type of legislation that takes people's rights away.

I would suggest to the government that perhaps this needs to be – we're only at second reading now, Mr. Speaker – at least thought about and some consultation with groups, not just the friends of the government but some other groups that are impacted by this. I think this member would be surprised. They do not see this – they certainly do not see this – as housekeeping.

This is a major bill, and I think that the government must understand this. I would say that discretion should be the better part of valour here. But take some time and begin to do some consultation because this bill is unacceptable, to me at least, in this Legislature at this time.

We will certainly be opposing this in the most vigorous possible way that we can. It's not that we want to oppose for the sake of opposing, as we just dealt with other bills, and the member knows that. But we see this bill as terribly flawed, unnecessary, and I'd hope that the government would have some serious second thoughts about it.

Thank you, Mr. Speaker.

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

Mr. Stevens: Thank you, Mr. Speaker. At this time I move that we adjourn debate on this matter.

[Motion to adjourn debate carried]

head: 4:20 **Government Bills and Orders**
Third Reading

Bill 6

Fair Trading Amendment Act, 2005

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

Mr. Ducharme: Thank you, Mr. Speaker. As promised at committee stage, I undertook to reply to any opposition questions on Bill 6, the Fair Trading Amendment Act, 2005. It is now my pleasure to do so.

Mr. Speaker, an example was requested of a business that is subject to the act but not required to be licensed. An existing example is a time-share. Time-shares are required under the Fair Trading Act and its time-share contracts regulation to provide certain disclosures and cancellation rights, but they are not licensed. A future example could be moving companies, where the minister may want to set some standards without creating a licensing requirement.

Mr. Speaker, clarification was requested on the following sections of the bill. Section 7.3(2). This section limits the assignee's responsibility to compensate the consumer to the amount the consumer actually received, and as such it operates to exclude amounts paid by the consumer prior to the assignment.

Section 29(6). Consumer services has been assigned to several departments over the years and is currently part of Government Services. This amendment provides flexibility in case consumer services is moved to another department in the future.

Sections 46 and 48. The repeal of these sections will coincide with these sections appearing in the regulation. Consumer protection will not be lost.

In regard to concerns on credit reporting, Government Services is currently working with the other provinces, territories, and the federal government on a national template for credit reporting. This is likely to include a harmonized definition of credit information. This process will also include consultation with the credit industry and other stakeholders.

The collection practices regulation will be going through an amendment process that will be completed when the Fair Trading Amendment Act is proclaimed. An expected outcome of the amendment process is that receipts will only be required for cash payments. Collection agencies will still be required to provide a statement of account to a debtor when one is requested.

Failing to comply with other legislation has been added as a reason to refuse to issue or remove or suspend or cancel a licence. This applies to situations where a Fair Trading Act licensee is not in compliance with other legislation. This addresses situations where a person requires a certificate and/or must meet other requirements under other legislation that directly applies to the activity licensed under the Fair Trading Act. An example would be that an automobile repair business licensed under the Fair Trading Act would also be required to have a journeyman mechanic licensed under the Apprenticeship and Industry Training Act.

In regard to concerns raised on moving parts of the act into regulation, all areas in the act that are being repealed will be placed in the regulations. Full consultation will be done with all stakeholders prior to any changes being made to the regulation. Consultation will include industry, consumers, and government departments, and the Fair Trading Amendment Act will not be proclaimed until all applicable regulations are ready to be passed; therefore, there will be no gaps in protection for consumers.

Mr. Speaker, I believe that I've answered all the questions that were asked at committee stage. Therefore, I move third reading of Bill 6, the Fair Trading Amendment Act, 2005.

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

Mr. Elsalhy: Thank you, Mr. Speaker. Yes, I have spoken quite extensively on this bill, Bill 6, the Fair Trading Amendment Act, 2005, in the previous stages, and I generally indicated my support for it. Any legislation that promotes or enforces fair trading would be advisable, and I would support it.

I appreciate the explanations that the hon. member gave, and I sincerely thank him for taking the time to research it and to come back to the House with these answers. I would still urge and take this opportunity to reinforce my request of this government and this department to try to communicate in a timely fashion and as clearly as possible with the public and with the stakeholders what each amendment means. Because the public doesn't read the bill and the public doesn't understand lawyer language – they want it in plain English, and they want it in clear terms – before we pass anything or after we pass anything in this Chamber, just tell the public what it really means and how it affects their lives and how they conduct business and how their day-to-day activities might change with that.

Also, again, I appreciate the explanation that the regulations will have to be passed before the final version of the law would be proclaimed, and the hon. member generously offered to share and consult with the stakeholders. He mentioned industry, and he mentioned government departments, but maybe I can challenge him to include the opposition in that list of consultees because, you know, we have ideas that might offer a positive addition to any piece of legislation that is being discussed. We might have an idea that might have been accidentally overlooked by the government and would enhance or strengthen the legislation.

I think, again, my rider is that the utmost goal of any discussion we have here under this dome is basically to improve and enhance and simplify people's lives. When business transactions are being scrutinized or being looked at, I think it's in everybody's interest to try to research and consult every possible source that might add to the discussion.

So, with that, I think my final comment would be that we've supported this bill in second reading and in committee, and we support it in third reading, but I would again emphasize my challenge to the hon. member and to the government to try to seek answers from the opposition whenever it's feasible and whenever it's convenient because we might actually add something to the debate that might have been accidentally overlooked, as I mentioned.

With that, I thank you, and I invite other people to participate. Thank you.

Mr. Martin: Mr. Speaker, I just have a couple of comments before the member adjourns debate. The current legislation states that it's unfair to charge a customer a price that "grossly exceeds," I think the term is, the price of similar goods and services. Now we're dealing with legislation. I guess that it's always in the eye of the beholder what is gross in terms of excess need. So is there any attempt to sort of deal with this term? I'm not sure that in legislation it's particularly helpful just to throw out a term like that. It should perhaps be a little more specific about what we mean by "grossly."

The only other comment: under 24(c), (g), and (m), Mr. Speaker, there are the definitions. We've had a fair amount of discussion in this House about identity theft. My understanding about this is: I think we underestimate the ability of some very skilled people with computers to take a very limited amount of personal information and get a lot more if they have it. I go back to the discussion we've had over the losing, at least, of the health care records. I guess that I'm asking if the definitions regarding identity theft are added, what procedures in this case do we have to make sure that that doesn't happen? Definitions are nice, but what will we do about it? What can we do to protect that identity?

So just a couple of comments, Mr. Speaker, I'd like to make. Thank you.

The Deputy Speaker: Hon. members, Standing Order 29(2)(a) is available for questions, comments.

Seeing none, the hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Thank you, Mr. Speaker. It's a pleasure to get an opportunity to participate in the debate on Bill 6, the Fair Trading Amendment Act, 2005, as proposed by the hon. Member for Bonnyville-Cold Lake. Certainly, I believe the hon. member was a number of years ago responsible for the first version of the Fair Trading Act, and whenever we look at the history of this legislation, it was needed then, and it is needed even more now. In the past we have seen some rather interesting cases brought before our court system as a result of this legislation. Hopefully, we are going to strengthen this legislation even more. But have we strengthened it enough? That is another question, Mr. Speaker.

4:30

Certainly, as recently as last summer the Alberta government had laid over 125 charges under the Fair Trading Act against four travel and time-share companies and a director for allegedly misleading consumers and refusing to provide refunds. Now, the parties that were charged in this matter include the Royal Club International A World Of Timeless Vacations; Resort Condominiums International, LLC, Mr. Speaker; the third enterprise, RCI Canada Inc.; and the

Royal Club Resorts Inc. Now, Alberta Government Services under the Fair Trading Act launched an investigation after several consumers complained that they didn't get their refunds after they had cancelled time-share and travel services purchased.

The first provincial court appearance occurred in Canmore, and it's interesting that it would occur in Canmore because every hon. member of this Assembly knows that there are a fair number of time-shares in that municipality. The parties faced various charges, and they were dealt with. They were dealt with under this act.

Now, there are other examples. Certainly, you know, we've heard in this Legislative Assembly as late as question period today discussions around personal information that had been misplaced by the department of health. This is not the first time this has happened. Now, I'm not suggesting for a minute, Mr. Speaker, that we have the department of health charged under the Fair Trading Act. I'm not suggesting that for one minute.

If we go back a little further to last year again, we see where for some members of Alberta's fine civil service some of their information had gone astray, and that was disturbing to say the least. It certainly wasn't the number of files such as the department of health misplaced, but it was significant. I understand on recollection, Mr. Speaker, that this information was being divided up by criminal elements in a hotel or a motel. Who knows what they were going to use it for?

In the debate, as we conclude debate on the Fair Trading Amendment Act in third reading, I don't think enough discussion has been given to the protection of personal information. Should it be limited? Should it only be limited to respective acts? Perhaps we should look at this whenever there is a violation under the Fair Trading Act. Now, there are shrugs. I don't think we can dismiss this, Mr. Speaker, because unfortunately personal information is being used in the marketplace. Is it being used fairly? Is it being used with permission of the individual? In some cases I would say no. It is something that I think we should look at and consider.

The hon. Member for Edmonton-McClung was talking about ideas to improve the bill. Well, that's something that I think we should consider. Certainly, there are many people, many individuals, many companies that provide credit information and credit ratings, and the accuracy of those credit ratings can sometimes play an important part in a family's or an individual's ability to borrow money at reasonable market rates.

Now, sometimes those ratings are very inaccurate. I know the hon. Member for Edmonton – I always want to say Edmonton-McClelland, but I know that's not it.

An Hon. Member: Rutherford.

Mr. MacDonald: Edmonton-Rutherford. Of course.

The hon. Member for Edmonton-Rutherford has been telling caucus about some of the inaccurate ratings that auto insurance companies give their consumers, and sometimes rates are driven up regardless of the good driving record of the consumer. Have we talked about maybe implementing that in the Fair Trading Act? That would be something that I think we should have a serious look at because the current set-up I don't think is adequate enough for consumers.

Now, as we walk through this bill and we see how consumers should be protected, there are still improvements that can be made to this Fair Trading Act, Mr. Speaker. There certainly are some new sections to it. We have a new section that clarifies that a court or an appeal panel "consider the real substance of the entity or the transaction" as opposed to the form to determine if the act applies to the entity or the transaction. That is new in part 1.

In part 2 we have three new sections. Provide that a consumer and a supplier can agree to amend the estimate if the consumer requires additional or different goods or services: that's a new part.

Also a new part to this act is to prohibit a business from charging a fee for an estimate unless the consumer is told in advance that a fee will be charged and the amount of the fee, Mr. Speaker.

Also a new section of part 2 is to prohibit a supplier from automatically renewing a contract without prominent and full disclosure of the details and the consumer's express consent in a verifiable manner. Now, this is a step in the right direction, but perhaps, hon. members, it does not go far enough because included in these suppliers are the natural gas marketers and the electricity marketers, and I don't think we are being adequately protected.

Now, of course, the hon. Minister of Energy is going to tell us in due time that we have the Alberta Utilities Consumer Advocate, which is protecting consumers for both natural gas contracts and electricity contracts. The hon. Member for Calgary-Varsity was talking a little earlier in debate about bears, and I think, Mr. Speaker, that the Alberta Utilities Consumer Advocate is like a bear because hibernation occurs in the coldest months of the year. We have one of the most shocking disclosures in this province in a long, long time with the disclosure of the documents indicating Enron's activity down at the Power Pool in 1999, the year 2000, and again in the year 2001. I'm not satisfied with the silence of this Alberta Utilities Consumer Advocate.

4:40

Could we get more protection for the consumers with Bill 6, Mr. Speaker, the Fair Trading Amendment Act? I think we could and we should because certainly it is not adequate. We can make the argument that the Alberta market surveillance administrator is going to protect consumers with electricity contracts and with natural gas contracts. I don't see that. I don't see that happening at all. We have the consumer choice website customerchoice.gov.ab.ca. Sometimes months go by. Months. You'd almost think that I was the one that was responsible for updating that website. I do a very poor job of it. Sometimes I forget to do my own for long periods of time and that website is very similar to mine. It is not updated often enough.

The Alberta Energy and Utilities Board. Well, of course they are to protect the public interest, but there were claims, and they were verified, of overcharging for electricity by various utility companies, and the EUB ordered that money to be given back. Two of those orders, if my memory stands correct here: one would be Engage Energy, the former employer of the current market surveillance administrator, and the other would be TransAlta.

We've discussed all these issues in the Assembly. Consumers don't seem to be getting the protection that they deserve from this government. While we're in third reading here on the Fair Trading Amendment Act, I'm disappointed that we haven't made another new section to protect natural gas consumers and electricity consumers from the whole idea of these marketers coming around to the doorstep, knocking on the door, and wanting to sell you a one- or three- or five-year contract. I don't see anywhere in this bill a proposed section that would say that.

I know that we have the 10-day cooling off period in here, but let's recognize that the natural gas market and the electricity market are very volatile, and it's a gamble. There are enough Albertans going to the casinos and putting their money in the VLTs and in the slot machines and on the blackjack tables and all that sort of stuff. If they want to gamble at the casino, they shouldn't have to gamble with their utility bill. In order to protect them, I think on the anniversary of the contract Alberta consumers should be able to exit

those contracts without any financial penalty whatsoever. This is one of the ideas that we could implement to improve Bill 6 at this time.

The hon. Member for Edmonton-McClung is promoting ideas to improve this bill. Well, that is one. It would be an excellent solution to some of the concerns consumers are facing because, Mr. Speaker, this new era of competition that has been discussed at length in this House for electricity and natural gas is creating plenty of dark clouds for consumers. There are lots of warnings here. Certainly, the Alberta government has advised consumers to take a good hard look before they sign the deal. You've got the 10-day cooling off period.

The new agencies that we talked about here are not working out in my view. That's why I think the Fair Trading Act, even at third reading – maybe we should have a hoist amendment and move it back and have another look at this. Perhaps that's what we should do. We could do a referral. It doesn't matter to this hon. member, but I think maybe it's time we had another look at this to protect energy consumers in this province.

Thank you.

The Deputy Speaker: Hon. members, Standing Order 29(2)(a) is available for questions or comments.

Seeing none, the hon. Member for Calgary-Varsity.

Mr. Chase: I will make this extremely brief, and this is designed to be helpful. The hon. Member for Edmonton-McClung made the point that at times opposition parties have a role that could contribute. Unfortunately, we didn't have an opportunity yesterday, when Fort McMurray representatives came to town, to contribute at that meeting, but here we have the opportunity.

It's the electronic fair trade that I would recommend. A larger portion of trade is now being done electronically, and the Fair Trading Amendment Act doesn't deal with the potential for false advertisement, false contracting, basically fraud from electronic sources. So I would just suggest that the hon. member look at the electronic aspects because a larger portion of business is now being conducted electronically, and we need to make sure that this Fair Trading Amendment Act takes into account the modern methods of trading and assure people that they're not going to be ripped off electronically as they might be in the older fashions.

Thank you very much.

The Deputy Speaker: Standing Order 29(2)(a) for questions or comments.

Seeing none, the hon. Member for Edmonton-Rutherford.

Mr. R. Miller: Thank you, Mr. Speaker. I'm going to have to pull out my whip here and chastise my colleague from Calgary-Varsity for stealing my thunder. I had whispered to him that I had some serious concerns about electronic fraud – I know that there are many members anxious to see that – in particular, concerns about Internet fraud. [interjections] I hear somebody kibitzing in the background about eBay. That is certainly one area where there are concerns about whether or not legitimate business practices are taking place.

As somebody who ran a small business for the last 25 years or so, I can tell you that there wasn't a day went by that I didn't have an opportunity to participate in some sort of scheme that would have, for the small investment of my banking information and a few thousand dollars, returned \$20 million to my company. For some reason I foolishly never chose to participate in those activities, but those opportunities arose almost daily.

In fact, the hon. Member for Calgary-Varsity referred to electronic

fraud. When these things first started, of course, it was something that we saw coming in by mail usually. Then as technology improved, we started to see opportunities such as that appearing on the fax machine, and for many years it was almost a daily thing on the fax machine. Now, more recently, and again in fact almost every day – and I've even had one of these e-mailed to my Legislature account, Mr. Speaker, an opportunity to invest in some sort of Nigerian opportunity that would return several million dollars, in U.S. dollars I might add, to my personal account. So as we've seen in other areas regarding the Internet and the unscrupulous activities that may take place on the Internet, certainly business fraud and misrepresentation are things that are happening on a regular basis and causing a great deal of concern to me and isn't mentioned specifically in this bill at all.

Now, with technology changing as quickly as it is, Mr. Speaker – just as an example, in the area of child porn we've seen local law enforcement agencies struggling to keep up with how quickly things change there. They're constantly demanding more and more resources to deal with that. Likewise the fraud department. The last time I spoke to them, which is not that long ago, probably in the last 18 months or so, the fraud department at the Edmonton Police Service indicated to me that they were finding it virtually impossible to keep up with the number of complaints they were getting regarding Internet fraud. So I would have hoped to have seen something in this bill that would address in particular the instance of Internet fraud.

4:50

Now, here I go again talking about regulations versus legislation. But I noticed that at the committee stage the mover of this bill from Bonnyville-Cold Lake said – and I'm going to just quote directly from *Hansard*, if I can find it. He actually reiterated it today, so maybe I can just ad lib and copy what he said today. He was saying that the reason for moving things out of legislation and into regulation was in fact to allow for flexibility and that consumers and industry and government departments would be consulted. As has been pointed out now by at least two speakers prior to me, there was no mention in there of consultation with members from the Official Opposition caucus.

I will acknowledge, Mr. Speaker, that as a new member to this Assembly I'm not completely clear on how changes to regulations come about, but my understanding is that they don't involve consultation with the opposition caucus. I think that when we're addressing issues like democratic deficit – and I've raised several times the concern in this Assembly about transparency and openness of government – the fact that we're once again moving things into regulation, out of the public eye, out of the full view of the public and the opportunity for debate, that always causes me concern.

[Mr. Speaker in the chair]

Again, given that we're here twice a year, I certainly would think that we would be able to provide whatever flexibility is required within a six-month period to address any concerns that might come forward. I would really, really prefer to have seen those various areas not moved out of legislation, left in the bill, but given that that is the case and we're now at third reading – and I obviously can't change that anymore – I would hope that the mover and the minister responsible would give serious consideration to the suggestion from the members for Edmonton-McClung and Edmonton-Gold Bar and at the very least consider including the Official Opposition in the group of stakeholders when they get to developing the regulations so that all views can be represented fairly when it comes to drafting

those regulations. Perhaps the Official Opposition could thereby shed a little light and a little public participation as opposed to just participation from the stakeholder groups that the government might choose to select.

With those comments, Mr. Speaker, I will take my seat and look forward to any further debate.

The Speaker: Standing Order 29(2)(a) is available.

Additional speakers?

Shall I call on the hon. Member for Bonnyville-Cold Lake to conclude the debate?

Mr. Ducharme: Thank you, Mr. Speaker. First of all, I'd like to thank all the hon. members that partook in the debate. I'd like to send out a thank you to the Minister of Government Services for having entrusted me with sponsoring this bill on his behalf, and I'd now ask for the question.

[Motion carried; Bill 6 read a third time]

Bill 20

Alberta Personal Income Tax Amendment Act, 2005

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

Mr. Ducharme: Thank you, Mr. Speaker. As promised at committee stage, I undertook to answer any opposition questions on Bill 20, the Alberta Personal Income Tax Amendment Act, 2005.

Mr. Speaker, there was only one question asked by the hon. Member for Edmonton-Centre about section 16(2). The issue raised is not connected to the personal income tax, and in fact Human Resources and Employment has addressed the concern through a regulation change which was announced via a news release on March 15, 2005. Also, I would refer the hon. member to review *Hansard* of March 22, 2005, when the Human Resources and Employment minister answered this very question.

Mr. Speaker, I now move third reading of Bill 20, the Alberta Personal Income Tax Amendment Act, 2005.

The Speaker: The hon. Member for Edmonton-Rutherford.

Mr. R. Miller: Thank you, Mr. Speaker. As I had indicated previously, this is one of those bills that the opposition has absolutely no problem with. We consulted the Canadian Taxpayers Federation and the Canadian Federation of Independent Business, both of whom indicated that they were completely comfortable with the bill and the amendments that are being made to the Personal Income Tax Act.

Certainly, the fact that this bill accommodates paralleling federal legislation makes perfect sense to us. Something that we strongly support is the idea that we're ensuring that individuals will not be double-taxed on income. I don't know anybody who likes to be taxed, let alone double-taxed, so this is something, again, that we strongly support.

Mr. Speaker, that pretty much is the limit of what I have to say. It's a good bill. It accomplishes what it set out to do. I think I had indicated previously that the Minister of Finance had made available some of her staff to brief us on this bill, and they were very accommodating. I would like at this time to just express my thanks to them for having done so and would hope that we continue to see that sort of co-operation in the future.

Thank you, Mr. Speaker.

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

Mr. Martin: Thank you, Mr. Speaker. Very briefly, the bill, again, as near as I can tell, is a housekeeping bill. It makes common sense. I think I asked the question earlier on, but I'll repeat it. As nearly as I can tell, this bill is revenue neutral. If that's not the case, if it's not revenue neutral, I wonder if the member could indicate to us whom it might impact. I believe that I asked those questions before. If it's revenue neutral, if it's not impacting anybody, that's fine. Generally, again, it's a common-sense bill, and certainly at this end of the House we will be supporting it.

Thank you, Mr. Speaker.

The Speaker: Hon. members, Standing Order 29(2)(a) kicks in.

The hon. Member for Calgary-Varsity.

Mr. Chase: Just in keeping with an attempt to be helpful and indicate that the opposition does have worthy ideas, whether that opposition be from our hon. members from the New Democratic Party or from the Liberals, one of the suggestions that I would encourage for the Personal Income Tax Act – and this goes along with and I think would potentially be supported by the minister of health – is the idea of an exemption for registration in a community sporting activity specifically for children. Much in the same way that you get an education exemption for courses taken at the university level, you might consider the exemption for a physical activity such as a soccer registration or a registration in a community baseball team.

This promotes fitness. I hesitate to use the sports analogy, but it literally does create a level playing field for parents who due to financial constraints might not be able to enrol their students in sporting activities. Again, in terms of a potential income tax deduction for the future please consider the idea of sports registration in community programs to give parents a bit of a break and also encourage wellness and physical activity.

Thank you very much.

5:00

The Speaker: Hon. members, Standing Order 29(2)(a) kicks in.

Shall I call on the hon. Member for Bonnyville-Cold Lake to conclude the debate? The hon. member.

Mr. Ducharme: Thank you, Mr. Speaker. Once again I'd like to thank all of the hon. members that partook in this debate, and I'd like to thank the Minister of Finance for having entrusted me with the opportunity to sponsor this bill. Now I'll ask for the question.

Thank you.

[Motion carried; Bill 20 read a third time]

head: **Government Bills and Orders**
Second Reading
(continued)

Bill 35

Employment Pension Plans Amendment Act, 2005

The Speaker: The hon. Member for Calgary-Nose Hill.

Dr. Brown: Thank you, Mr. Speaker. I'm standing this afternoon to move second reading of Bill 35, the Employment Pension Plans Amendment Act, 2005.

As I stated during the introduction of this legislation, this act will allow the private-sector pension plan members better access to information and more transparency on the plan's financial status. It will also provide mechanisms to give the superintendent of pensions

more effective ways of ensuring that the pension plans are liquid and properly funded.

Mr. Speaker, we've all noticed in recent years the increasing focus on pension plans. There have been downturns in the investment markets and low interest rates, which have hurt pension plan funding. The result of those factors has been that some of the surpluses of the 1990s have often turned to shortfalls in the pension plans. So people are naturally concerned as they get near retirement age that their pensions are properly funded.

Also, pensions that are in private employment pension plans are the largest source of retirement income for a great many people, so it is important that Albertans feel confident in the security of their private pension plans. That is why the government is moving this bill to ensure that plans are properly funded.

Mr. Speaker, the legislation will provide the superintendent of pensions with more effective ways of dealing with and monitoring funding of the plans, as I said, and this will be taken into account in the enforcement provisions of this proposed bill. The superintendent will require most plans to file audited financial statements on an annual basis. He will also have authority to demand evaluation or assessment of the plans by an independent third party if need be.

Trust and insurance companies that hold pension funds would be required to notify the superintendent if an employer is not making the required contributions in time or in the correct amounts. This additional information along with the actuarially based reports every three years and the annual financial information would provide the superintendent with a complete and up-to-date picture of the plan's financial health.

Regarding enforcement, the superintendent will have the power to remove the administrator in extreme cases and to appoint a new one if the administrator's actions or inactions are jeopardizing the security of a plan. The superintendent would also have power to appoint an outside party, for example a forensic accountant, to investigate plans and require individuals to be interviewed as part of the investigation.

Bill 35, Mr. Speaker, also focuses on giving plan members better information so that they can see for themselves that the plan is liquid and running properly. Plan members will have access to the audited financial statements, any management reports that the superintendent of pensions has delivered following a plan examination, and they would also have advance notification of any proposed amendments to the plan which could adversely affect their benefits; for example, if the rules for taking early retirement were to be made more strict. These amendments would put the members in a better position to monitor their pensions long before they need them.

As well, Mr. Speaker, these amendments update the act to reflect changes in the pension community. Pension partners, that is spouses, will be able to waive preretirement death benefits. Many people have been asking for this flexibility now that there are many two-income couples and many people in second marriages with financial arrangements that they may want to maintain from their previous relationships.

At the same time, people signing these waivers of death benefits or survivors pensions will be required to provide proof to the plan administrator that they've received independent legal advice about signing such a waiver. In response to calls for more flexibility in dividing pension benefits on marriage breakdown, these changes would also enable couples to divide pensions based on an agreement rather than having to go to court to get a matrimonial property order.

Administrators of terminating pension plans, after conducting a thorough search for missing plan members, would be able to apply to the court to transfer the funds of missing members to the Public Trustee for safekeeping indefinitely, allowing the administrator to wind up the plan. The superintendent would make sure that Albertans, however, are aware that their funds may be with the Public Trustee.

Plans for business owners will no longer have to file documents with the superintendent, and this will relieve them of an administrative burden that, in our view, is not necessary because business owners are well able to look after their own interests and do not need the superintendent's oversight.

Mr. Speaker, I'm pleased to sponsor this bill because it addresses some very important issues in the lives of thousands of Albertans: their pensions. The bill would make the employment pension systems better by giving the government better tools to monitor pension plans and to intervene if problems arise, and it will also give the plan members more information about their plans so that they can monitor them and be more confident that their retirement funds are being properly managed. I would urge all members of the Assembly to give their support to Bill 35.

Mr. Speaker, I move that debate on Bill 35 be adjourned.

[Motion to adjourn debate carried]

The Speaker: The hon. Deputy Government House Leader.

Mr. Stevens: Thank you, Mr. Speaker. I move that we call it 5:30 and reconvene this evening at 8 o'clock in Committee of the Whole.

[Motion carried; the Assembly adjourned at 5:08 p.m.]