

## Legislative Assembly of Alberta

Title: **Tuesday, November 13, 2007**

**1:00 p.m.**

Date: 07/11/13

[The Speaker in the chair]

head: **Prayers**

**The Speaker:** Good afternoon and welcome back.

Let us pray. At the beginning of this week we ask for renewed strength in the awareness of our duty and privilege as members of this Legislature. We ask for the protection of this Assembly and also the province we are elected to serve. Amen.

Hon. members and ladies and gentlemen, we'll now participate with the singing of our national anthem. We'll be led today by Mr. Paul Lorieau, and I would invite all to participate in the language of one's choice.

**Hon. Members:**

O Canada, our home and native land!  
True patriot love in all thy sons command.  
With glowing hearts we see thee rise,  
The True North strong and free!  
From far and wide, O Canada,  
We stand on guard for thee.  
God keep our land glorious and free!  
O Canada, we stand on guard for thee.  
O Canada, we stand on guard for thee.

**The Speaker:** Please be seated.

head: **Introduction of Guests**

**The Speaker:** The hon. the Premier.

**Mr. Stelmach:** Thank you, Mr. Speaker, it's my pleasure to rise and introduce to you and through you to all members of this Assembly an exceptional person in the Edmonton community, Mr. Dave Dorward. Mr. Dorward is the nominated candidate for the Progressive Conservative Party of Alberta for the riding of Edmonton-Gold Bar. Dave runs his own chartered accounting firm in Edmonton. He is an alumnus of both NAIT and the University of Alberta. He is very involved in the community with a particular passion for sports and youth, coaches a number of basketball teams, and I'm very proud to have Dave as a member of my team as we build Alberta's future. Dave is joined in the gallery by his wife, Janice. I would ask that they both rise and receive the traditional warm welcome of the Assembly.

**The Speaker:** The hon. Minister of Public Security and Solicitor General.

**Mr. Lindsay:** Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to all members of the Assembly today a group of 13 energetic grade 5 and 6 students from Kitaskinaw school on the Enoch reserve. They are accompanied today by their teacher, Ms Minnie Williams; teacher aide Mr. Romeo Waskahat; Ms Wanda Willoughby, teacher aide; and parent Rhonda House. They, I believe, are seated in the public gallery. I would ask that all members give them the traditional warm welcome of this Assembly.

**The Speaker:** The hon. Member for Whitecourt-St. Anne.

**Mr. VanderBurg:** Thank you, Mr. Speaker. On your behalf I'd like

to introduce to you and through you 24 students from Eleanor Hall school, located in Clyde, who are participating in the School at the Legislature program this week. They are accompanied this afternoon by teacher Karen Potts, teacher Marci Zadunayski, teacher assistant and parents Shirley Donnelly and Kelly Miller. They are seated in the members' gallery this afternoon. I'd ask them to please rise and receive the traditional warm welcome of this Assembly.

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

**Mr. Johnson:** Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to the members of the Assembly 22 students and six adults from the C.B. McMurdo elementary school in Wetaskiwin, including teachers Mrs. LaGrandeur, Oystein Guren, Sandra Wilson, and parents Marlene Reglin, Monica Haukenfrers, and Darren Diprose. It was my pleasure to be with them when they took photos earlier, and I was certainly impressed with their many expressions of excitement about being here at the Legislature today. At this time I'd like to ask them to rise and receive the warm welcome of the Assembly.

**The Speaker:** The hon. Member for Edmonton-Decore.

**Mr. Bonko:** Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to all members of this Assembly 66 students from my favourite elementary school up at Lago Lindo. They're accompanied here by teachers Mrs. Natalie Goodall, Mrs. Maggie Corrigan, Mr. Scott Elgert, and Mr. Kevin Peters. They're also here with parent helpers Mrs. Tanya Cowan, Mrs. Mary Ann Mullet, Mrs. Cheryl Johner, Mrs. Carolyn Dubé, and Mr. Ched Lapierre. I would like them all to please rise now and receive the traditional warm welcome of the Assembly.

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

**Mr. Tougas:** Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to all members of this Assembly a group of bright and handsome students from Meadowlark Christian school. They're accompanied by their teacher, Mrs. Schroeder, and principal, Mr. Van Leeuwen, and parent helpers Karen Reschke, Michele Archutick, Kim Wheaton, Misty Schroeder, Emily Gee-Martiniuk, and Litsa Fournalis. I ask that they please rise and accept the traditional warm greeting of the Assembly.

**The Speaker:** The hon. Minister of Energy.

**Mr. Knight:** Well, thank you, Mr. Speaker. It's a pleasure for me to rise and introduce a couple of individuals that are visiting today. One of the individuals needs no introduction: Mark Hlady is a former MLA for Calgary-Mountain View and president and director of International PetroReal Oil Corporation. Ben Anderson is a director for International PetroReal Oil, and Bill Marshall is the vice-president of exploration for Drumlin Energy Corp. I would ask that they all stand and receive the warm welcome of the Assembly.

**The Speaker:** The hon. Member for Edmonton-Highlands-Norwood. Sorry.

**Mr. Mason:** We didn't know which one should get up, Mr. Speaker.

Thanks very much, Mr. Speaker. I'm delighted to introduce to you and through you to this Assembly two guests who are seated in the public gallery. They are Cynthia Lazarenko and Robert Price. Cynthia recently retired from Alberta child care services in January.

She has been a member of a number of nonprofit organizations and boards of directors in both Alberta and Manitoba. At its recent convention the Alberta Union of Provincial Employees awarded Cynthia a lifetime membership for her outstanding dedication and commitment to the labour movement.

My second guest is Robert Price. He is currently the president of the federal NDP riding association of Edmonton-Leduc and treasurer of the provincial NDP constituency association of Edmonton-Rutherford. Prior to retiring and moving to Edmonton, he taught English and social studies in the public system. Robert has served on various community boards and on the executive of ATA locals.

Both Robert and Cynthia are here to observe the proceedings of the Legislative Assembly. I would now ask that they rise and receive the traditional warm welcome of this Assembly.

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

**Mr. Martin:** Thank you, Mr. Speaker. I am indeed pleased today to introduce to you and members of the Assembly Bohdan Harasymiw. Bohdan is professor emeritus of political science at the University of Calgary. He lives in Edmonton and is still active in researching the processes of democratization in post-Communist countries. In September 2007 he was an official observer of the parliamentary elections in Ukraine. He is here to observe Alberta's form of democracy in action. I would now ask that he rise and receive the traditional warm welcome of the Assembly.

1:10

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

**Mr. Eggen:** Thank you, Mr. Speaker. It gives me great pleasure to introduce to you and through you to the Assembly Michael Butler. Michael is a small businessman who is actively involved in his community. He has been involved in the hospitality, retail, and home building industries. His other interests include visual communications and coaching basketball. He is here to observe the Legislature proceedings. I would invite him to rise now, please, and receive the warm traditional welcome of the Assembly.

**The Speaker:** The hon. Member for Edmonton-Strathcona.

**Dr. Pannu:** Thank you, Mr. Speaker. I'm pleased to introduce to you and through you to the Assembly two guests seated in the public gallery. They are Dr. Wasimol Haque and Charan Khehra. Dr. Haque has been a scientific executive in the Canadian pharmaceutical/biotech sector for the last 20 years. He served with local biotech companies like Biomira, Chembiomed, and the Alberta Research Council before moving to Winnipeg to lead the cardiovascular drug discovery division at Medicure Inc. Although he has been busy as a scientist, he has not stopped being a concerned citizen. In that capacity he has been commenting on human rights, social justice, peace, and other matters on the international scene and written on it both in national and international press. He is a strong opponent of militarism and believes that Canadians must play an effective role in bringing peace to the troubled world.

My second guest, Mr. Speaker, is Charan Khehra. He is a former director of special projects for the NDP caucus as well as my former executive assistant. Charan is a social activist who supports various nonprofit community organizations through volunteer work and currently serves on the Seniors Association of Greater Edmonton's awards organizing committee and the city of Edmonton's Landlord and Tenant Advisory Board.

Both of these guests are sitting in the public gallery. I would now request them to stand and receive the warm welcome of the Assembly.

head: **Members' Statements**

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

#### **Alberta Relationship Threat Assessment and Management Initiative**

**Mrs. Jablonski:** Thank you. Mr. Speaker, what can a person do who has just suffered another severe beating and been told that if she reports the assault to the police, her two small children will be hurt? What does a person do whose partner restricts access to the phone, to transportation, and to community resources so that you can't leave, and if you do, your children will be abducted and harmed? Where do you turn to for help when your partner has complete power and control over your life and when you are too afraid to trust the police?

Mr. Speaker, fortunately we now have ARTAMI, the Alberta relationship threat assessment and management initiative, to turn to. Under the competent direction of Val Campbell this initiative, that includes a Crown prosecutor, a family law expert, a victim safety specialist, a Children's Services liaison, RCMP and municipal police officers, is the first threat assessment unit in Canada to be operational.

The Solicitor General and Minister of Public Security has stated: "No one should ever live in fear." His department has the lead in this initiative, and they have helped more than 50 families to survive situations of violence and terror. ARTAMI brings together many experts to deal solely with reducing and preventing relationship violence and stalking and is part of the Premier's plan for keeping our communities safe.

The story that I told is a true story. It's a story of violence and terror that has a happy ending. Thanks to ARTAMI and the specialized training of its members this young mother, knowing her children were now safe and protected at school, had the courage to contact the police. She and her children were then able to escape to a women's emergency shelter and were reunited with her family to start a new life in a new location. Her partner was arrested and charged with 17 criminal offences.

Mr. Speaker, not all incidents of family violence have a happy ending, but through the response of ARTAMI we can more effectively address threats of violence and lead victims and their children to safety.

**The Speaker:** The hon. Member for Whitecourt-St. Anne.

#### **Alberta Utilities Commission Act**

**Mr. VanderBurg:** Thank you, Mr. Speaker. We've heard over the past few days statements about what Bill 46 is not. I want to use this time to tell Albertans what Bill 46 is and attempts to do. I'm very familiar with the Utilities Consumer Advocate, the UCA, since it reported to me when I was minister of government services. Under this bill, the creation of a UCA governance board, the government intent is that the UCA be independent from the Alberta utilities commission. This is being accomplished through the creation of a UCA governance board which will direct the UCA's regulatory interventions. Under this bill funding for the intervening and regulatory rate hearings will be restricted to the UCA. I do want to stress, so that there will be no confusion, that funding continues for local intervenors directly or adversely affected by an application

such as transmission siting hearings, and the opportunity for interested parties to intervene in regulatory proceedings continues.

Lastly, Mr. Speaker, what has changed is a strengthening mandate for the UCA to intervene on behalf of small consumers. The UCA also has an increased responsibility for public communication and education. Responsibility for mediation and information continues.

A ratepayer advocate avoids duplication by groups with common interests, Mr. Speaker, provides increased accountability to small consumers, and has been shown to increase the likelihood of negotiated settlements and incentive regulation. Funded ratepayer advocates with policies that restrict reimbursement of intervenor costs are common in most states and are generally recognized as providing increased efficiencies.

Five true consumer groups have come together through a memorandum of understanding, agreed to pool their interventions under the UCA and sit on an interim governance board with similar powers as envisioned under Bill 46. I want to thank those true consumer groups: the Alberta Federation of Rural Electrification Associations, the Alberta Urban Municipalities Association . . .

**The Speaker:** I'm afraid, hon. member, that we are now going to have to recognize the hon. Member for Calgary-Varsity.

#### Ethics in Government

**Mr. Chase:** Thank you very much, Mr. Speaker. Trust. As we drove down highway 2 last Wednesday afternoon headed for a public Kill Bill 46 forum in Lacombe, the Member for Edmonton-Gold Bar, our chief of staff, and I were reflecting on the bizarre series of events of the afternoon's question period. The Premier had falsely attributed a quote on royalties to our opposition leader before rapidly exiting the House, as has become his custom, without tabling the document from which the erroneous quote had come.

On the topics of deception, manipulation, and suppression Sir Walter Scott warned: oh, what a wicked web we weave when first we practise to deceive. George Orwell spotlighted the power of falsely manufacturing consent by concealing dissent in his novel *1984*, when he noted, "He who controls the past controls the future."

We had barely left Leduc when we received an excited call informing us that the writ had been dropped. While initially catching us off guard given that the Conservative approval ratings in the polls continues to plummet despite a flurry of unbudgeted spending announcements, the possibility of a desperate cut-your-losses-and-run Christmas election call had been prevalent for some time. Because of this trust-challenged government's refusal to establish fixed election dates, its big stick of dissolving parliament to avoid the light and heat of the Legislature's public accountability has been held constantly over Albertans' heads.

It isn't a matter of if; it is simply a matter of when the most important trust election in almost four decades will be called. When the election is called, Albertans will be given a choice to place their trust in an Alberta Liberal government with a clearly focused, inclusive plan for the future or remain stuck in the covert quagmire of this rudderless government's status quo. To quote Joe Anglin, a Lavesta Area Group panelist from Wednesday night's Lacombe Kill Bill 46 forum: democracy isn't something you have; it's something you do.

**The Speaker:** The hon. Member for Calgary-Fort.

#### Remembrance Day 2007

**Mr. Cao:** Thank you, Mr. Speaker. Sunday, November 11, all across our province Albertans commemorated our Canada Remem-

brance Day. Each year I have the great honour to represent our government and Legislature at the ceremony held by the Canadian Legion Ogden Branch. Every day when I am in Edmonton working in this Legislature Building, I walk under the standards of our Canadian armed forces units that engaged in the battles of the past. Every day I walk by the bronze plaques engraved with the names of hundreds of Albertans who died in the wars, and every time I walk to and from my office, I can't help but feel thankful to those Albertans who protect myself, my family, and our fellow Albertans.

Thanks to those Albertans of the past who volunteered in the armed forces – and, unfortunately, some did not return – we have Canada as our country, Alberta as our province. Thanks to those Albertans of the present who also volunteer in the armed forces – and, unfortunately, some may not return – we have a place to call home: a nation and a province with security that we enjoy every moment and a world worth living in, with human dignity and freedoms.

**1:20**

Indeed, it's a precious gift being Albertan, being Canadian. It's a gift from our Creator. It's a gift from our parents and ancestors. Surely, it's a gift from those who died for us to live in the freedom and the dignity of a human being.

I'm fortunate enough to have lived and worked in many parts of the world under different governing regimes, under varieties of traditions and social rules. It takes much time to elaborate those life experiences, so please trust my saying that nowhere else can a person have a life of quality like we have in Alberta, in Canada.

Thank you.

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

#### Education Curriculum in Macao

**Mr. Lukaszuk:** Thank you, Mr. Speaker. Recently I had the privilege of attending an Alberta school not in Alberta but, rather, in Macao, not too far away from China. What makes that school really interesting is that this is the only Alberta school outside of the province of Alberta where parents, business leaders who have elected to provide their children with the best education available, have shopped the world for a curriculum and have chosen the Alberta curriculum to be the curriculum instructed in that school.

Mr. Speaker, you would find that school to be very exciting. You walk in there, and it's like being in Alberta: Alberta textbooks, Alberta certified teachers, and children writing Alberta diploma exams and graduating with Alberta high school diplomas.

When speaking with one of the parents, the parent indicated to me that they want their children to receive the best education available in the world. These children from 38 countries in the world have chosen Alberta education to be the one instructed to them. As the principal of the school writes in his message to the parents: the province of Alberta has a tradition of excellence in education which is continually demonstrated by Alberta students' high scores on international tests.

Mr. Speaker, I'd like to take this opportunity to congratulate our civil servants in the Department of Education for the great curriculum that they've developed and for expanding Alberta education world-wide and to thank the International School of Macao for choosing the Alberta curriculum as the best curriculum to instruct their children with.

Thank you.

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

### Alberta Utilities Commission Act

**Mr. Eggen:** Thank you, Mr. Speaker. This Conservative government likes to pretend they're all about openness and transparency when in reality they work to make public accountability and public input things of the past. Albertans owe a lot to the brave landowners who stood up to a flawed process in the 500 kV power line hearings in Red Deer and in Rimbey. They stood their ground, exposed the AEUB spy scandal, and what did they get in return? Bill 46.

The government is forging ahead with an antidemocratic bill that demonstrates its willingness to ignore Albertans' concerns for the convenience of big business. This government is setting up an AEUB that serves the interests of energy companies instead of the interests of ordinary people. Bill 46 would plug the power in the hands of an appointed commission rather than those who are democratically elected by Albertans. These officials would have the ability to discern whether or not Albertans would have a say in their own future.

This bill screams of antidemocracy, and it's not just the Alberta NDP who are crying foul. Opposition has been voiced by numerous groups, including the Environmental Law Centre, the Pembina Institute, the National Farmers' Union, Parkland Institute, Consumers' Coalition of Alberta, Consumers' Association of Alberta, the Sierra Club, and the Industrial Power Consumers Association of Alberta.

We can only judge a person, Mr. Speaker, by the sum of their actions. Bill 46 is a heavy-handed and regressive reaction to serious problems in the power industry here in Alberta. Albertans expect better. It's up to legislators to deliver.

head: **Presenting Petitions**

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

**Mr. Agnihotri:** Thank you, Mr. Speaker. I would like to present a petition signed by 146 individuals residing in the Summerside and Ellerslie areas in my riding who are urging the government of Alberta "to consider providing additional capital funding to the Edmonton Public School Board and the Edmonton Catholic School District to address the need for new community schools in Edmonton-Ellerslie."

I have a second petition, Mr. Speaker, signed by 736 individuals, residents of southeast Edmonton, who are urging the government of Alberta

to establish a multicultural long-term care facility in South-East Edmonton to accommodate seniors from diverse ethnic groups who reside there and who have special needs relating to language, traditional customs and food requirements that may not be met in standard long-term care facilities.

Thank you.

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

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

We the undersigned residents of Alberta, petition the Legislative Assembly to urge the Government of Alberta to launch a full public inquiry under the authority of the Public Inquiries Act into spying practices by the Alberta Energy and Utilities Board (AEUB) and the Minister of Energy's oversight role of the AEUB.

This petition is signed by citizens from Rimbey, Bluffton, Didsbury, Ponoka, just to name a few.

Thank you.

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

**Ms Blakeman:** Thank you very much, Mr. Speaker. I would like to table this petition which is urging the government of Alberta to ensure that remuneration paid to employees working with people with disabilities is standardized and that they're fairly compensated and their wages remain competitive, to improve the employees' access to professional development opportunities, and to introduce province-wide service and outcomes-focused level of care standards.

Thank you.

**The Speaker:** Are there others? The hon. Member for Edmonton-McClung.

**Mr. Elsalhy:** Thank you, Mr. Speaker. Eighty-two more signatures on the same petition urging

the Government of Alberta to take immediate, meaningful measures to help low-income and fixed-income Albertans, Albertans with disabilities and those who are hard-to-house maintain their places of residence and cope with the escalating and frequent increases in their monthly rental costs.

Most of these signatures today are from Edmonton.

head: **Introduction of Bills**

**The Speaker:** The hon. Member for Calgary-Fort.

### Bill 215 School (Canadian History Content) Amendment Act, 2007

**Mr. Cao:** Well, thank you, Mr. Speaker. I request leave to introduce a bill being Bill 215, the School (Canadian History Content) Amendment Act, 2007.

This bill will improve Albertans' competency and awareness of Canadian history. The knowledge of Canadian history and culture is needed for our youth, particularly for those who have come here from other countries.

[Motion carried; Bill 215 read a first time]

head: **Tabling Returns and Reports**

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

**Mr. Backs:** Thank you, Mr. Speaker. I am pleased to present two tablings today. They represent two examples of outstanding artistic contributions to our Alberta. The first is a program for the excellent production of *Vimy* at the Citadel Theatre in Edmonton. This play very much brought to life that important milestone in Canadian history.

The second is the program for Red Boots, Ballet and Bubbly, the incredible gala held on Saturday at a packed Jubilee Auditorium by the incomparable Shumka dance group. They outdid themselves again with a tremendous and varied performance, and were even led in one of them by conductor Zwoz, or, properly, the Member for Edmonton-Mill Creek. Well done, Shumka.

Thank you, Mr. Speaker.

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

**Mr. Elsalhy:** Thank you, Mr. Speaker. I have two tablings today. The first one is *The Artsroll Illustrated Birchon*, which is a book of Jewish blessings for various occasions, explained in both English and Hebrew. It was part of the Beth Israel synagogue 100th

anniversary gala celebration in my constituency, which took place on January 28, 2007.

The second tabling today is the 82-page program and commemorative book for the 2007 Edmonton Negev gala concert, which took place on June 14, 2007, Mr. Speaker. This year's event was in tribute to Mr. and Mrs. Don and Marion Wheaton.

head: 1:30

### Oral Question Period

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

#### Royalty Revenues

**Dr. Taft:** Thank you, Mr. Speaker. Annual reports of government departments are important documents with legal standing. The Government Accountability Act gives direction on what is to be included in them, and the Legislative Assembly Act indicates that submitting false information in reports to the Assembly is against the law, yet it looks like this has been common practice for the Department of Energy. My question is to the Premier: given that the Premier has defended the decision to forgo billions of dollars in royalties as a policy decision, why did this government cover up that decision in their annual reports?

**Mr. Stelmach:** Mr. Speaker, once again the Leader of the Opposition is making ridiculous accusations. It's all about philosophy. What the Liberals would like is to hoard this money, just bring it in and then dish it out to Albertans piece by piece, through his fingers, by having Albertans come on their knees, stand before him, and say, "Oh, please, give me some of that money back," that should go to all Albertans. That's what the Liberal government is all about. It's not going to happen in this province because I don't stand for that kind of behaviour.

**Dr. Taft:** Mr. Speaker, the Department of Energy annual reports are where this government is to be accountable to the people of Alberta. People expect the information in these legal documents to be truthful. We now know that it wasn't. Does the Premier support this government's practice of misleading Albertans through annual reports that falsely claim the royalty system was working well?

**Mr. Stelmach:** I'm sure that tomorrow the leader will be able to table the documents that say where they were wrong, in terms of the annual report. We'll give them until tomorrow to table that.

The other thing is that during that period of time Alberta collected over \$75 billion worth of royalty revenue. At the same time we've seen increases, of course, in population in the province of Alberta as a result of people coming to this province because of opportunity, the highest standard of living anywhere in Canada, the highest per capita spending of people because they're also receiving the most per capita in salaries, and also the lowest taxes.

**Dr. Taft:** Mr. Speaker, this cover-up was not accidental. It was intentional and systematic, and it lasted for years. This government knew the truth. It deceived Albertans, and someone has to be held accountable. To the Premier. The Auditor General refers to various instances where the Department of Energy's annual reports indicate that the royalty system was capturing a fair share despite internal evidence showing otherwise. When did the Premier first learn of this cover-up?

**Mr. Stelmach:** Mr. Speaker, first of all, the leader once again is making an assumption, reading into the words of the Auditor

General. The Auditor General clearly stated that there was no wrongdoing. There were no policies being broken. The government stands by what the Auditor General said in the opening remarks when he presented his annual report.

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

**Dr. Taft:** Mr. Speaker, in his report into the royalty system the Auditor General uncovered a disturbing fact. For several years the sharing the profits performance measure in the Department of Energy's annual report "portrayed satisfactory performance by the royalty regimes while detailed analysis in the Department indicated otherwise." In short, the Department of Energy's annual report repeatedly deceived this Assembly and the people of Alberta. To the Premier: how long has the Premier known that the Department of Energy was providing false information to Albertans? How long has he known about this cover-up?

**Mr. Stelmach:** Mr. Speaker, again, the allegations are totally false. The Department of Energy did not present false information to the Auditor General. If he has some text or something to present to the Assembly, then table it. Otherwise, again, the Liberal Party has a different philosophy, a philosophy that I talked about earlier, and it's something that Albertans have never accepted in the past and, I can guarantee you, won't in the future.

**The Speaker:** The hon. leader.

**Dr. Taft:** Well, thank you, Mr. Speaker. All this evidence is there for the Premier to read in the Auditor General's report.

In the Department of Energy 2003-2004 annual report, page 13, the government reported that the royalty regimes collected a fair share of resource development profits, yet the Auditor General says that no internal report supports this assertion. To the Premier: why did this government table an annual report with false statements in it? Who ordered this?

**Mr. Stelmach:** Mr. Speaker, once again, the government did not table any false documents or reports. Tomorrow, certainly, he can table any kind of documents he has in his possession that say otherwise.

You know, protected by the immunity of the House, he can make all these kinds of accusations against the government or against individual members, and that really shows a complete disrespect for the sanctity of this Alberta Legislature.

**Dr. Taft:** Mr. Speaker, Albertans put their trust in this government, and they were betrayed. In the corporate world there are requirements for full, plain, and true disclosure. Misleading the public in the corporate world leads to prosecution. The citizens of Alberta have the same right to high standards of accountability from this government as do shareholders in corporations. To the Premier: who will the Premier be holding accountable for this multibillion-dollar betrayal of the public interest?

**Mr. Stelmach:** Mr. Speaker, as the Premier of the province of Alberta and as the leader of this government I am accountable to Albertans, and I'll stand up for every decision that this government has made in the past. It has led to the tremendous economic growth in the province of Alberta. In fact, over the last few days other provincial Premiers have expressed interest in how well Alberta is doing because they know that their economy is dependent on the

success of Alberta's economy. Really, again, Alberta's economy is the engine of prosperity right across Canada.

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

**Dr. Taft:** Thank you, Mr. Speaker. I wonder if the Premier will stand behind this government decision. For seven years secret reports of the Department of Energy warned the government that the royalty system was losing billions in uncollected royalties. Despite this, for seven years the government has reassured Albertans through its annual reports that the royalty system was fine. Albertans were being deceived over and over. To the Premier: why did this government's annual reports tell Albertans they were collecting their due in royalties when it knew – it knew – this was not true. Why the cover-up?

**Mr. Stelmach:** Mr. Speaker, again, he has the opportunity to table these secret documents, and I'm quite sure he'll present them tomorrow.

**The Speaker:** The hon. leader.

**Dr. Taft:** Thank you, Mr. Speaker. The Auditor General notes that the Department of Energy's executive and staff knew that the sharing the profits performance measure needed to improve. Presumably, the Minister of Energy, a former member of the standing policy committee, was made aware. To the Minister of Energy: will the minister admit that he knew Albertans were being fed false information in the annual reports from his department? Was he involved in this cover-up?

**Mr. Knight:** Well, Mr. Speaker, what I will say is that over a number of years – and if you want to talk about seven years and deal in the past, that's fine. We can do that. But for that time, at least, and many years before that and years into the future, where we are interested in going, the people of the province of Alberta have been very well served – very well served – by a royalty regime that produced stellar results economically across the board for Albertans and for all Canadians.

**Dr. Taft:** Mr. Speaker, for seven years Albertans have been kept in the dark about their royalty system by this government. It's time to end the cover-up, time to face the truth. To the Premier. Will the Premier do the right thing: stop hiding, end the secrecy, trust the people of this province, and immediately table all internal royalty documents that are referenced by the Auditor General uncensored?

1:40

**Mr. Stelmach:** Mr. Speaker, this Premier made a commitment to Albertans during the leadership. Nobody on that side even talked about any kind of a royalty review; in fact, they even said it wasn't really an issue. I called for the review. As soon as we received the report from the totally independent panel, we made it public because we firmly believe that all Albertans are owners of the resource. Albertans had an opportunity to review the report. We further looked at the full report as a government, and we made a very important decision for the benefit of all Albertans that's going to take this province well into the next decade with good policy, certainty, and predictability.

**The Speaker:** The hon. leader of the third party, followed by the hon. Member for Cardston-Taber-Warner.

### New Royalty Framework

**Mr. Mason:** Thank you very much, Mr. Speaker. Well, there's a bigger secret, and that's where the Liberals actually stand on royalties.

Mr. Speaker, Newfoundland and Labrador's 6.5 per cent super royalty surcharge gets them a lot closer to a fair share than the Alberta Tories' sellout royalty regime. On oil price from \$80 a barrel and up Newfoundland royalties would earn Alberta over a billion additional dollars a year. My question is to the Premier. Why can a have-not province like Newfoundland stand up to the big oil corporations and get a more fair royalty deal when the government of Alberta folds like a cheap tent?

**Mr. Stelmach:** Mr. Speaker, we can compare the two royalty frameworks, obviously, but it'll take more than the 45 seconds I have to respond. The province of Newfoundland and Labrador took a different approach. They're actually using taxpayers' money to invest in the industry. It's a different approach, completely different from the position we take in Alberta. We allow the private sector to invest, and we have a very fair framework that will find the balance between, of course, Albertans, that own the resource and should get a fair share, and the certainty and predictability in the marketplace where billions of dollars have to be invested in order to develop the resource.

**Mr. Mason:** Mr. Speaker, this Premier is certainly no Danny Williams. If Alberta used Newfoundland's royalty rates, we would be earning an additional \$3 million a day – a day. So how is it, Mr. Premier, that the people of Newfoundland will get more for their oil than Albertans? Why did the Premier back down to big oil?

**Mr. Stelmach:** Mr. Speaker, one of the things that I heard on the campaign trail is that many Albertans were not too happy with a penny on the dollar in terms of the prepayout period in terms of the oil sands. That's one of the issues that came out quite often. I said, you know, from listening to that and listening to other questions being raised: well, we'll conduct a review. And we did. Now, this framework that we have put in place is one that works for Alberta. In speaking to the Premier of Newfoundland and Labrador, he said that this is what is good for them. He said that the Alberta model works for Alberta but this is new to their province. You know, they made the decision to go that way, by investing taxpayer money in the industry, and we didn't.

**The Speaker:** The hon. leader.

**Mr. Mason:** Thanks very much, Mr. Speaker. Albertans cannot trust the Tories or the Liberals to get them a fair share. Both parties will give away billions of dollars in resource revenues to oil corporations because it will keep the big donations flowing. We think Albertans deserve better. If Newfoundland can do it, Alberta can do it too. To the Premier: why doesn't the Premier admit that the government of Newfoundland got a better deal than he did and go back to the table and get Albertans a real fair share?

**Mr. Stelmach:** Mr. Speaker, in fact, our royalty framework shares the reward and also the risk. As oil prices rise, we will see more royalty coming from conventional oil and gas and also the oil sands. So it moves with price, which really puts in the kind of certainty for the industry. If the price should drop dramatically, then, of course, we will share in the risk as Albertans. On the other hand, we'll capture the upside with rapidly increasing world oil prices. So it's a very good model for Alberta.

**The Speaker:** The hon. Member for Cardston-Taber-Warner, followed by the hon. Member for Edmonton-Gold Bar.

**Mr. Hinman:** Well, thank you, Mr. Speaker. The line of thought seems to be: bigger government; more money is better. I want to say that conditions have shifted, costs are up, and the current royalty structure isn't unreasonable: that was the Minister of Finance back in May of this year. I'd like to know why we're flipping on this and saying that something that was reasonable in May now isn't. As I was growing up, my father always said: if you want to know, go, and if you don't, send somebody. I'd like to know why the Premier hasn't gone himself and spoken with oil and gas. The Finance minister has, and he says that our rates were reasonable and that it is good for our economy. Why is the Premier doing this to the oil and gas industry?

**Mr. Stelmach:** What a difference of opinion in this building. A good thing about democracy.

One of the things that, as I said, came up in terms of the framework that we had before was to ensure that given the historic changes in the industry in the province of Alberta, the framework would keep up with those changes. One of those changes was rapidly increasing oil prices during the period of time, and the suggestion by many Albertans was: why don't you review it just to give us a bit of an indication if they're fair or not fair? Going through a review, the panel took one position, obviously. As a government we opposed the production tax on the wellhead. It was something that the federal Liberals put in place that devastated this province back in the '80s, and we're not going to do that again.

**Mr. Hinman:** They're going to destroy it with their own new tax system.

Protecting the environment is reasonable, but it must not be a barrier to the growing Alberta economy; my government does not believe in interfering in the free market: both statements by our Premier earlier this year. Mr. Speaker, if the environment isn't important enough and can't be a barrier, why is it that now the sentiment to get more from industry and drive them out of the province is okay? Why is this Premier attacking the oil and gas industry and wanting to drive them out to other jurisdictions by changing the royalty revenue programs that we have in place now?

**Mr. Stelmach:** Mr. Speaker, if the hon. member would have a look at the framework, we've maintained a lot of the programs, especially for shallow gas, also for flaring, capturing the flaring rather than the methane going into the air. We're capturing that. Also, with deep gas we've made adjustments in the royalty framework. We have listened to the presentations that have been made by many of the small and large oil and gas companies, found a balance. Again, we're going to have the certainty that's going to carry this province well into the next decade.

**Mr. Hinman:** Mr. Speaker, it isn't a balance. It's a tipping point, and why do we want to go there? We went through the '80s. We saw that when government interferes, it's wrong. Why does he want to do this? You can't just step in and lower the boom on the growth and the development of the oil sands or elsewhere in the province. If that were to happen, the economic consequences for Alberta and for the economy of Canada would be devastating: again, words of the Premier. It seems like he understood it before. Why is he wanting to attack the families that depend on the oil and gas revenue? Why does he want to attack the oil workers, the small towns? This is an attack on Albertans. Why is he doing this? Why doesn't he admit that he's cowering to the Liberal/ND sentiment and say, "We will not destroy the economy in Alberta"?

**Mr. Stelmach:** Mr. Speaker, we would have cowered to the Liberal sentiment by putting in a production tax. Our framework respects price. Of course, if price goes up, then Albertans share in a greater reward. If the prices drop, we share in the risk. It is part of the true Alberta entrepreneurial spirit, and that's what the oil industry has supported. They're okay with sharing the risk. We've always shared that risk over time. That's why our royalty framework is one of the best in the world, to be shared and studied by others: because we know how to strike the right balance and take a leadership role.

**The Speaker:** The hon. Member for Edmonton-Gold Bar, followed by the hon. Member for Olds-Didsbury-Three Hills.

#### Alberta Utilities Commission Act

**Mr. MacDonald:** Thank you, Mr. Speaker. Albertans continue to voice their opposition to Bill 46, but this government does not want to hear that voice. The Minister of Energy continues to deny what citizens already know: Bill 46 will trample the democratic rights of Albertans. My first question is to the Premier. Given that Albertans want the government to kill Bill 46, why is this government forcing this bill onto consumers and landowners so soon, in January 2008?

1:50

**Mr. Stelmach:** Mr. Speaker, the bill is before the House. It is going through a number of amendments. Part of the responsibility of the opposition and the government is to find a balance, look at the amendments that come forward and make this a strong bill, and leave it at that. We're going to have further debate in the House to see what amendments will be passed in support of Bill 46.

**The Speaker:** This bill has not come up for second reading yet. The hon. member.

**Mr. MacDonald:** Thank you, Mr. Speaker. I'm pleased to hear that this government is at least going to try to amend this flawed legislation.

Again to the Premier: does this government bill protect the property rights of farmers and other rural landowners?

**Mr. Stelmach:** Well, that's the big discussion here in the House. Yes, property owners have a position to take. We're all property owners. There should be, of course, a fair hearing in terms of how somebody is, you know, wanting to build a power line or drill a gas well or build a road. There are all these opportunities in terms of fair hearings in front of a quasi-judicial authority to find the right balance.

#### Speaker's Ruling Hypothetical Questions

**The Speaker:** The chair has difficulty with this line of questioning. This bill has not come to the House for second reading. As far as the chair knows, this bill may never come to the floor of this Assembly for second reading. So how are we discussing something that, in the view at least of the chair, not knowing what the scheduling will be per se, may be a bit hypothetical?

Proceed with your third question.

#### Alberta Utilities Commission Act (continued)

**Mr. MacDonald:** Thank you, Mr. Speaker. Again to the Premier: given that Alberta landowners, including farmers, consumer advocacy groups, environmentalists, and members of the legal community, members of the business community, all oppose this government's Bill 46, yet the Minister of Energy here claims that the

bill is being misinterpreted, can the Premier please tell Albertans who was consulted by this government when this flawed legislation was drafted?

**Mr. Stelmach:** Two points. One is that this is reminiscent of the kind of scare tactics that the opposition used during another bill before the House a number of years ago, which was Bill 11. Again, they used misinformation, spread that misinformation across the country without giving the true and relevant facts of the legislation that's before us. Like I said, the bill will be up for discussion, for debate, and we'll listen to the opposition's position on it.

**The Speaker:** The hon. Member for Olds-Didsbury-Three Hills, followed by the hon. Member for Edmonton-Decore.

#### Affordable Housing for Rural Alberta

**Mr. Marz:** Thank you, Mr. Speaker. Alberta's housing market has experienced exceptional growth that has increased demand on affordable housing throughout the province. Often there tends to be a perception that this challenge is isolated to large urban centres, but in fact rural constituencies such as mine are facing this challenge as well. My question is to the hon. Minister of Municipal Affairs and Housing. What measures is your government taking to alleviate the affordable housing pressures on rural Albertans?

**The Speaker:** The hon. minister.

**Mr. Danyluk:** Thank you very much, Mr. Speaker. Well, this government is very much aware that with growth and prosperity come challenges, and of course one of those challenges is affordable housing. Rural Alberta is not immune to those challenges. Through the municipal sustainability housing initiative this government has allocated \$38 million as well as supported the rural communities with a supplement of \$68 million.

**The Speaker:** The hon. member.

**Mr. Marz:** Thank you, Mr. Speaker. My first supplemental is to the same minister. What direction could you provide to rural constituents, builders, and tenants who are seeking to access funding for affordable housing?

**Mr. Danyluk:** Well, as I said before, Mr. Speaker, there is \$68 million that is available to smaller municipalities for them to be able to apply to our ministry for housing projects in their area. We're hoping to attain approximately 500 units with that funding.

**Mr. Marz:** Again, Mr. Speaker, to the same minister: how are we ensuring that the concerns of rural Albertans are being taken into consideration when we develop affordable housing initiatives and programs?

**Mr. Danyluk:** Well, first of all, Mr. Speaker, the key is to make sure that we have more units available. The availability of those units very much helped the whole spectrum, whether it be rent supplement or whether it be the homeless and eviction fund. At present we are helping nearly 21,000 people with the homeless and eviction fund and 1,800 low-income families through direct rent supplement.

Mr. Speaker, I would also like to say that the associate minister of housing is also working on a secretariat to look at homelessness in this province.

**The Speaker:** The hon. Member for Edmonton-Decore, followed by the hon. Member for Drumheller-Stettler.

#### Government Employment Contracts

**Mr. Bonko:** Thank you, Mr. Speaker. Despite the Information and Privacy Commissioner's ruling this government is refusing to release details of contracts with Mr. Murray Smith and Mr. Rod Love. The Premier stated that the reason for this is that he views these details to be personal and private. My questions are to the Minister of International, Intergovernmental and Aboriginal Relations. Are the details of Mr. Smith's contract private and personal because he's a top Tory or because the Premier was the minister who picked Mr. Smith?

**The Speaker:** The hon. minister.

**Mr. Boutilier:** Well, thank you, Mr. Speaker. One thing that's very important. We are reviewing the decision that was made by the Privacy Commissioner. What we're going to do is ensure that this is open and transparent and at the same time that all taxpayers in Alberta fully understand where every single cent goes. That is something that we are committed to. But even more importantly, we're going to protect the rights of those relative to privacy. We're going to ensure, unlike the Liberals – they'll be out there ensuring that for every person in Alberta there is no such thing as anything that's private – that we're going to do what is right, what is right, and what is right.

**Mr. Bonko:** Well, Mr. Speaker, that's great to hear.

This government is only willing to be open and transparent up to the point of action. Then before you know it, secrecy kicks in. To the minister: how can this government claim to be open and accountable when it refuses to comply with the finding of the Information and Privacy Commissioner's ruling?

**Mr. Boutilier:** Mr. Speaker, our government has indicated that we're reviewing what the important words were from the Privacy Commissioner. We have 45 days to review what he is saying and to take the appropriate action. We will take the appropriate action, and we will do what is right. What the Liberals want to do is to simply circulate everywhere across Alberta so that no Albertan has any privacy on anything.

**Mr. Bonko:** Murray Smith, Rod Love, Kelley Charlebois, Bob Maskell: what do all these names have in common? Contracts. Government contracts to Tory insiders. With so many contracts with their friends, no wonder the government is trying to hide behind the details. To the minister: given this legacy of insider appointments and patronage, what kind of government are people supposed to expect, one it can trust or this one?

**Mr. Boutilier:** Mr. Speaker, what Albertans expect and what they are assured to get from this government is this. As he mentioned some hon. members' names, perhaps trying to besmirch their names, we have tabled in here, in fact, the contracts that were done relative to the important aboriginal education initiative. Perhaps the hon. member didn't read it, but I will table it again today, as I have done before in this very Assembly.

**The Speaker:** The hon. Member for Drumheller-Stettler, followed by the hon. Member for Edmonton-Ellerslie.

#### Bovine Tuberculosis

**Mr. Hayden:** Thank you, Mr. Speaker. Albertans are concerned about the recent discovery of bovine tuberculosis in a bull from British Columbia which was in fact born on a farm in central

Alberta. My first question is to the Minister of Agriculture and Food. What is the status of this investigation?

**The Speaker:** The hon. minister.

**Mr. Groeneveld:** Thank you, Mr. Speaker. Because tuberculosis is a reportable disease, the Canadian Food Inspection Agency is the lead agency, of course. At present we have six B.C. and 23 Alberta farms under quarantine, and the CFIA is tracing and testing these animals. If there is a bright spot here, it is that the CFIA will compensate all producers for all animals that have to be tested and destroyed.

**The Speaker:** The hon. member.

**Mr. Hayden:** Thank you, Mr. Speaker. To the same minister: what is the expected impact on Alberta's beef industry?

**Mr. Groeneveld:** Well, Mr. Speaker, this case will not change Alberta's test-free status as it's not a potentially contagious disease. It does restrict the movement of animals on these quarantined farms, of course, but it's not expected to have any international impact.

Mr. Speaker, it certainly does emphasize how we have to have our traceability systems in place. We in Canada and, probably more importantly, here in Alberta have the best traceability system going in probably all of the world.

2:00

**The Speaker:** The hon. member.

**Mr. Hayden:** Thank you, Mr. Speaker. To the same minister: with everything that's going on right now in the industry – the high Canadian dollar, the high price of feed and fuel – what is the Alberta government doing to support this industry?

**Mr. Groeneveld:** Well, Mr. Speaker, the red meat industry probably is facing the perfect storm now, but we have initiated some round-table meetings. We had one with the industry on October 16, and we're having one again tomorrow, on the 14th. In the short term we're coming up with \$165 million which we will put into a farm recovery plan which will be delivered through the CAIS program. Long term we've charged the beef industry with working on some recovery plans of their own. We as the Alberta government have initiated a competitive initiative which has been in place for about six months now. So we are working on the issues to the best of our ability.

**The Speaker:** The hon. Member for Edmonton-Ellerslie, followed by the hon. Member for Edmonton-Calder.

### Community Grant Programs

**Mr. Agnihotri:** Thank you, Mr. Speaker. In response to a letter written to the minister regarding the administration of grant programs it was admitted that the major community facilities program has slowed down the processing and approval time for the smaller programs. My questions are to the Minister of Tourism, Parks, Recreation and Culture. How does this minister plan to ensure that funding for the larger projects will not continue to impact the smaller projects?

**The Speaker:** The hon. minister.

**Mr. Goudreau:** Well, thank you very much, Mr. Speaker. The Member for Edmonton-Ellerslie is asking a very important question.

I want to say that although the major facilities program has taken up a lot of our staff time, I can indicate now that we are basically caught up with the community facility enhancement program, and we're not very far behind on being caught up on our community initiatives program. We have added additional staff and have asked our staff to work extra time, and they've done a tremendous job in responding.

Thank you.

**The Speaker:** The hon. member.

**Mr. Agnihotri:** Thank you, Mr. Speaker. In my attempts to find out information about the guidelines and requirements for the MCFP, I found that the ministry had still not posted the names of who has received funding for this program on its website. This government needs to be accountable to the public for how their money is spent. To the same minister: why is this taking so long to post the names of the recipients on its website?

**Mr. Goudreau:** Mr. Speaker, the member talks about the major community facilities program. There have been only a few of the hundred or so applications that we've received that have been approved. Because they're major facilities, we have to do extremely more due diligence, and we're in the process of approving them. Those that have been approved have been made public, and that particular information has gone out with major news releases on all of them.

**The Speaker:** The hon. member.

**Mr. Agnihotri:** Thank you, Mr. Speaker. I'm still concerned about the discretionary ability of the minister to deny funding to any group that he sees fit, especially with the community initiatives programs. Now with the lack of transparency with the MCFP I'm even more concerned. To the same minister: can this minister tell us how he can assure Albertans that this money is distributed fairly among all constituencies and all organizations?

**Mr. Goudreau:** Mr. Speaker, we look at the programs and we try as much as possible to distribute them on a number of criteria. One is on the basis of merit and the impact it has on their individual communities. The other aspect that we look at is more on a regional basis to try to ensure that individual regions have access to similar amounts of dollars. We don't specifically target individual constituencies, but we certainly look at the whole province and individual regions and identify the merits and type of impact it has on those communities and approve them accordingly.

### Sour Gas Well Safety

**Mr. Eggen:** Mr. Speaker, families in Big Valley, in Drayton Valley, and other parts of Alberta have grave concerns with nearby sour gas wells, yet these concerns are being ignored. Sour gas wells near their properties are threatening the health of their children, their livestock, and the safety of their homes. As conventional supplies of gas run out, more and more companies will seek to engage in dangerous high-pressure sour gas well drilling with potentially catastrophic results. My question is for the Energy minister. When is this government going to set up regulations to protect residents instead of protecting the interests of the big oil and gas companies?

**Mr. Knight:** Well, Mr. Speaker, the fact of the matter is that the regulatory process in the province of Alberta is renowned around the world. I must say that EUB as it stands today: one of the major

mandates and a major function of our regulator is the protection of Albertans. There is nothing that is constructed, no project that goes ahead, no facility that hits the ground without due consideration and a complete – a complete – review of all of the necessary emergency measures associated with that infrastructure.

**Mr. Eggen:** I don't know, Mr. Speaker. These days word is out that when the gas drillers arrive at your door followed closely by the EUB, you should be afraid, be very afraid. Why? Because one has got the drill ready to go, and the other one has the rubber stamp ready to go.

In many cases residents surrounding these gas well developments have been misinformed of what's even being drilled and how dangerous it actually is. Once again to the Energy minister: why aren't residents of this province being given a chance to voice their concerns about these developments in Big Valley and in Drayton Valley and elsewhere, and why was there not full disclosure about the potential danger?

**Mr. Knight:** Mr. Speaker, again, the regulatory authorities would take into consideration any of the emergency measures required with respect to any of these facilities. Most certainly, when there are citizens that are involved from the point of view of their proximity to any of this work, what happens is a complete due diligence. There is a situation, I think, that has been expressed today by a family in Alberta with respect to egress and their possibility of how they move away from a potentially hazardous situation if, in fact, one occurs. The board will reconsider that, and it will be taken into consideration with the application.

**Mr. Eggen:** Well, Mr. Speaker, it seems to me, I recall, that it was only the actions of outspoken individuals and the Calgary health region that actually stopped Compton Petroleum from drilling a very dangerous sour gas well right in the city of Calgary itself. Since this government seems interested in tinkering around with the EUB, why does it not seek that the oil and gas side of the EUB be more effective so that it represents the interests of ordinary Albertans and doesn't just rubber-stamp every potentially dangerous project big industry puts in front of it?

**Mr. Knight:** Mr. Speaker, as I had indicated earlier, the mandate of our regulators is, number one, the safety of Albertans. That will continue on a go-forward basis.

Thank you.

**The Speaker:** The hon. Member for Red Deer-North, followed by the hon. Member for Calgary-Mountain View.

### Gang-related Crime

**Mrs. Jablonski:** Thank you, Mr. Speaker. My constituents in Red Deer-North are very concerned about gang activity in their neighbourhoods. Recently there have been many alarming reports in the media about violent gangs from B.C. coming to Alberta to set up shop in our neighbourhoods and communities. Clearly something must be done to prevent this unacceptable risk to our safety and security. My questions are to the Solicitor General and Minister of Public Security. What is being done to keep B.C. gangs out of Alberta and to control gangs that are already in Alberta?

**The Speaker:** The hon. minister.

**Mr. Lindsay:** Well, thank you, Mr. Speaker. Police in our communities continue to work effectively to prevent crime and also to make

criminal acts more difficult to commit. That being said, the safe and secure communities task force report released last week sets out a blueprint for action, including more officers to front-line policing to target specific activities such as gangs and drugs and tough new legislation to support local police in shutting down derelict properties, which can be breeding grounds for gang activity. In addition, this year we will spend \$18 million to fight organized crime. We have also established two sheriffs' surveillance units to help police investigate organized crime and gang activity. Last week I announced the warrant apprehension team, whose sole purpose is to take . . .

2:10

**The Speaker:** The hon. member for a supplementary.

**Mrs. Jablonski:** Thank you. To the same minister: can he assure this House that Alberta's police have the resources they need to fight gangs and organized crime?

**Mr. Lindsay:** Mr. Speaker, this government is committed to providing safe and secure communities for all Albertans. In the last three years we have increased police funding by \$31 million and added nearly 300 officers to the front line. In Alberta we have 5,600 RCMP, municipal, and First Nations police officers in addition to about 5,000 peace officers, including sheriffs, correction peace officers, and community peace officers. We're also developing a new \$100 million IT strategy to make it easier to access information, and we're also putting in place a new first responder radio system.

**Mrs. Jablonski:** Mr. Speaker, gang violence affects everyone, and it will take co-operation and co-ordination to combat this scourge. To the same minister: what can communities do to help?

**The Speaker:** The hon. minister.

**Mr. Lindsay:** Thank you, Mr. Speaker. Enforcement alone will not curb violence. We require the additional support of our community to help police in their criminal investigations and to make criminal acts more difficult to commit. Community residents need to be vigilant and report suspicious activities. Also, through their input to the safe communities task force Albertans have given us a clear road map to reduce and prevent crime in our communities. We are acting on the recommendations of the report. Victims' services, youth justice committees, and also community-funded safe houses are all areas where communities can get involved, and they do play a significant role in reducing crime in our province.

**The Speaker:** The hon. Member for Calgary-Mountain View, followed by the hon. Member for Livingstone-Macleod.

### Sour Gas Well Safety (continued)

**Dr. Swann:** Thank you, Mr. Speaker. A well-known rodeo family near Stettler along with their animals recently became seriously ill after a sour gas leak at the nearby Bears paw Petroleum site. This is the fourth reported leak at the site since 2001. In 2006 a leak resulted in a member of the family receiving emergency care in a nearby hospital. In each case the Energy and Utilities Board gave the facility the go-ahead to keep running. To the Minister of Energy: with sour gas releases at this site having gone on for six years, what needs to happen for real action to be taken against this company? How many chances before they're shut down, Mr. Minister?

**The Speaker:** The hon. minister.

**Mr. Knight:** Well, thank you, Mr. Speaker. With respect to this particular incident I think that it's fair to say that the regulators have been on the site, continue to assess the situation, and I'm sure that a full and frank and proper report will come forward at the appropriate time.

**The Speaker:** The hon. member.

**Dr. Swann:** Thank you, Mr. Speaker. Gas leaks are of great concern, life threatening in fact, both in this area and in the Drayton Valley area, where there are plans to drill a sour gas well with high concentration of poisonous hydrogen sulphide only 420 metres away from one resident's property. The health and safety of Albertans must be the number one priority of this government. I recently spoke with the medical officer of health in the area of Stettler. If the EUB has the health of people as the top priority, how is it, Mr. Minister, that the health regions are still not being notified of sour gas releases?

**The Speaker:** The hon. minister.

**Mr. Knight:** Well, thank you, Mr. Speaker. There would be, of course, a requirement under the application and licensing of any of these facilities for an emergency measures program with respect to any sort of a release, be it sour gas or any other kind of a release, from a site. I am not aware at this particular moment if the application in question indicates that a health region should be notified, but I certainly will look into the issue.

**The Speaker:** The hon. member.

**Dr. Swann:** Thank you, Mr. Speaker. Livestock are also suffering greatly from this gas leak and, indeed, throughout the province. In this case near Stettler a dozen competition horses and 40 cattle were seriously affected. To the minister of agriculture: why did the agriculture department allow the animal health investigation committee and its funding for such animal investigations after exposure to be disbanded last month? Do you expect farmers to pay the \$100,000 costs in these investigations?

**Mr. Groeneveld:** Mr. Speaker, certainly we're concerned. It is a concern of anyone when these types of things happen. We aren't necessarily out of the picture because the Farmers' Advocate's office will advise landowners with options they have and what they might wish to pursue. However, the FAO, of course, does not have any legislative authority to act on the owners' behalf, but he certainly can advise them where they should go.

**The Speaker:** The hon. Member for Livingstone-Macleod, followed by the hon. Member for Edmonton-Centre.

#### Police Officer Supply

**Mr. Coutts:** Thank you, Mr. Speaker. This government has told Albertans many times that it's committed to safe and secure communities, so it's very disturbing to hear that Alberta ranks eighth in the country in peace officers per capita. This is well below the national average. Labour shortages certainly are common in many different sectors across the province, and law enforcement is no exception. Many police services across the province simply cannot get enough qualified people in uniform. My question to the Solicitor General and Minister of Public Security: what is the government doing to make sure that there are more police officers on the street?

**The Speaker:** The hon. minister.

**Mr. Lindsay:** Thank you, Mr. Speaker. As I indicated earlier, in the last three years we have significantly increased funding to put more police officers in Alberta. We've also committed to increasing police resources in the coming years. Last week I announced the new \$1.4 million sheriff warrant apprehension team to take criminals off the street and to keep them off. As of now we have 12 new officers out on our streets who are reducing the number of criminals who are out there.

**The Speaker:** The hon. member.

**Mr. Coutts:** Thank you, Mr. Speaker. To the same minister, then: what is the government doing to help police services recruit and retain staff as well?

**Mr. Lindsay:** Mr. Speaker, this government is fully aware of the serious problem of police recruitment and retention in Alberta, and that's why last June we brought together leaders in law enforcement in a round-table to address these concerns. Various organizations are now taking the lead on several strategies identified by the round-table. We are committed to completing this work as soon as possible.

**The Speaker:** The hon. member.

**Mr. Coutts:** Thank you, Mr. Speaker. Then again to the same minister. This demand for police officers will mean that in the near future many young men and women will be hired to fill those vacant positions. What's the government doing to ensure that police training is consistent across the province as well?

**Mr. Lindsay:** Mr. Speaker, we are moving forward to develop a provincial police college in Fort Macleod, a college that will standardize training and ensure that police in our province will have the ability to work together more effectively and efficiently. We are also working behind the scenes to determine the building size and the number of students we can enrol there, and we are developing a provincial curriculum. We will be exploring revenue streams, and we are intending to release an expression-of-interest document in the near future to gauge private-sector interest in this much-needed facility.

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

#### Water Quality in Fort Chipewyan

**Ms Blakeman:** Thank you, Mr. Speaker. A report commissioned by the Nunee health authority of Fort Chipewyan and released last week confirms high levels of arsenic, mercury, and oil-related compounds in water and wildlife. My first question is to the Minister of Environment. Dr. Timoney's report found flaws in previous studies conducted by this government. Will the minister finally initiate an independent study of the water, wildlife, and human health in the region?

**Mr. Renner:** Well, Mr. Speaker, obviously, the government takes issues around this concern very seriously, but the fact of the matter is that there has been ongoing monitoring of a number of indicators since the early 1990s. The regional aquatics monitoring program, or RAMP, takes literally thousands of samples on an annual basis and has been doing so, as I said, since the early 1990s.

**The Speaker:** The hon. member.

**Ms Blakeman:** Thank you. My next question is to the minister of health. Mr. Speaker, there's no denying that elevated levels of arsenic and mercury in the water and wildlife will impact the health of residents who rely heavily on this for their diet. How much harm or risk is this government willing to write off as the cost of doing business?

**The Speaker:** The hon. Minister of Health and Wellness.

**Mr. Hancock:** Well, thank you, Mr. Speaker. The assumption in that question is invalid. There is no indication of elevated levels of either arsenic or mercury. The study that the hon. member referred to in her first question basically goes back and looks at some of the older data, which has already been dealt with. We've reviewed the data, we've had peer review processes on that data, and we're satisfied that arsenic levels in the area are actually lower than in other areas.

In terms of the resulting health implications, which we're obviously very concerned about, there have been allegations of higher amounts of cancer in the area. We've studied a hundred per cent of the mortalities in that region and discovered that they have no higher level of cancer in that area than in any other area of the province.

2:20

**The Speaker:** The hon. member.

**Ms Blakeman:** Thank you. Again to the same minister. Policy decisions, especially around rapid industrial development, have a profound impact on the health of people and the environment. Will the minister admit that conducting health impact assessments before decisions are made is more sensible and cost-effective than dealing with the consequences of unhealthy public policy?

**Mr. Hancock:** Well, Mr. Speaker, as the Minister of Environment indicated in answering a question, there are ongoing samplings of the water and the quality of the air. It's absolutely important to maintain a full understanding of what the cumulative impacts are in that area and in every area, particularly where there's industrial growth. Of course, we want to know what the impacts on health are, and we do want to know those beforehand.

Our department has been working very closely with the Department of Environment and, in fact, has been leading work on, for example, the enhanced environmental health surveillance biomonitoring project. We're involved with the Wood Buffalo Environmental Association's ongoing human health monitoring program. We're involved with the community exposure and health effects assessment program that was done earlier. We're involved with the northern river basin human health monitoring program. Health monitoring is absolutely essential in any area of industrial growth.

**The Speaker:** Hon. members, that was 90 questions and answers today.

When we broke for Oral Question Period, we were on the item in the Routine known as Tabling Returns and Reports. I'll now call on the hon. Member for Edmonton-Gold Bar.

head: **Tabling Returns and Reports**  
(continued)

**Mr. MacDonald:** Thank you very much, Mr. Speaker. I appreciate

it. I have two tablings today. The first is a government ad that appeared in the *Globe and Mail* on Saturday, July 7, 2007. Here the government is looking for a chair of the Alberta energy resources conservation board and a chair of the Alberta utilities commission. The closing date of these competitions was July 31, 2007. This is an ad placed before Bill 46, as you correctly stated, Mr. Speaker, has been debated in the Assembly.

The second is an ad that also appeared in a newspaper on October 19, 2007, and this is an ad looking for many senior officials in the Alberta utilities commission.

Thank you.

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

**Mr. R. Miller:** Thank you very much, Mr. Speaker. Last evening I and the hon. Member for St. Albert had the pleasure of attending the new teacher induction ceremony at Barnett House, and I'm honoured to say that 75 new teachers were inducted into Edmonton public teachers local 37 and happy today to table the appropriate number of copies of the program from that event.

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

**Ms Blakeman:** Thank you, Mr. Speaker. In following up on the Premier's request for the documents from which we were quoting, I table the appropriate number of copies of several different excerpts from the Department of Energy's operational overview with the particular sections highlighted for him to review.

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

**Mrs. Mather:** Thank you, Mr. Speaker. I have three tablings today. The first is from Jennifer Matyjanka in Edmonton, where she's stating:

We have a fundamental right to voice concerns and opinions that lead to the creation of standards and regulations that promote quality and provide access, affordability and alternatives for child care . . . Without an appropriate amount of time for stakeholders to obtain background information on the effects these proposals will have on child care options as they are today, it was impossible to make informed decisions and comment regarding the proposed changes.

The second tabling is from Leah Weber, president of Meadowlark Park Childcare. She's stating that many married, two-parent households that do not qualify for subsidy are "being forced to face the decision of either quitting their jobs because they cannot afford to work or finding substandard, unlicensed child care."

My third one is from Sheila Gough in Edmonton, and she's asking us to "develop a real plan that will address the growing human resources crisis in the human services sector."

**The Speaker:** Hon. members, I'd like to table the appropriate number of copies of a memorandum that I received from the hon. Member for Calgary-Hays requesting early consideration to Committee of the Whole of Bill 212, Safer Communities and Neighbourhoods Act.

head: **Tablings to the Clerk**

**The Clerk:** I wish to advise the House that the following documents were deposited with the office of the Clerk. On behalf of the hon. Ms Evans, Minister of Employment, Immigration and Industry, pursuant to the Regulated Accounting Profession Act the Certified General Accountants Association of Alberta 2006-07 annual report.

On behalf of the hon. Mr. Lindsay, Solicitor General and Minister of Public Security, pursuant to the Gaming and Liquor Act the

Alberta Gaming and Liquor Commission annual report 2006-07 and Charitable Gaming in Alberta: 2006-07 in Review.

**The Speaker:** Hon. members, during Oral Question Period the hon. Member for Calgary-Nose Hill advised of a point of order, and then at the conclusion of the question period, at the beginning part of the Routine, the hon. Member for Peace River advised of his intent to rise on a point of order. We will now proceed to the point of order by the hon. Member for Calgary Nose-Hill, that arose as the result of interjections.

#### Point of Order Parliamentary Language

**Dr. Brown:** Thank you, Mr. Speaker. I'm rising today on a point of order pursuant to *Beauchesne* 484(3), *Beauchesne* 485, and *Beauchesne* 486. *Beauchesne* 484(3) speaks as follows:

A member will not be permitted by the Speaker to indulge in any reflections on the House itself as a political institution; or to impute to any Member or Members unworthy motives for [those] actions in a particular case.

*Beauchesne* 485 speaks to the following: unparliamentary words may be brought to the attention of the House by the Speaker or by any member.

The Leader of the Official Opposition repeatedly used the word "cover-up" during his questions. In so doing, he clearly offended the rules of decorum of this House. Mr. Speaker, there have been repeated rulings by both you and your predecessors in office that the phrase "cover-up" is an unparliamentary phrase. I would refer to page 5 of the excellent document which you've circulated to all members of the House in which it states a number of rulings, repeated rulings in fact, of this House that "cover-up" is an unparliamentary phrase. It's my respectful submission that there is a prima facie case of the hon. Leader of the Official Opposition using unparliamentary language.

But I would like to go beyond that, Mr. Speaker, to a number of other points because the bare use of the words on several occasions did not reflect, in fact, the tenor of the way that those were used. I believe that the hon. leader has offended the rules not only against the use of our unparliamentary language but in respect of imputing unworthy motives for actions of members in a parliamentary case. That would offend *Beauchesne* 484(3) and *Beauchesne* 486, which speaks of injurious reflections being made against a member of the House. Not only did the hon. leader use the word "cover-up" repeatedly; he also referred to the government's annual report having false statements in it, and this was linked with the phrase "misleading the public." It's my respectful submission that the context and the tenor of the use of those words were clearly meant to infer that the Premier and certain members of Executive Council had participated in a cover-up, and as such it has impugned those individuals.

Mr. Speaker, the hon. leader ought to know very well that there was no cover-up, that there was no misleading the public. In my respectful submission, the hon. Leader of the Official Opposition should be called to order by you, he should apologize to the House, and he should withdraw his remarks.

**The Speaker:** The hon. Official Opposition House Leader.

**Ms Blakeman:** Thank you, Mr. Speaker. If I may respond to the member and the citations raised. I appreciate his raising *Beauchesne* 486, and I will note that, in fact, in 486(2) in *Beauchesne* it does say, "An expression which is deemed to be unparliamentary today does not necessarily have to be deemed unparliamentary next week." At the same time, in 486(3) I note that it says, "There are few words that have been judged to be unparliamentary consistently, and any

list of unparliamentary words is only a compilation of words that at some time have been found to cause disorder in the House."

2:30

More to the point, if I may refer you to *Marleau and Montpetit*, page 71. I'm speaking of freedom of speech,

a fundamental right without which they would be hampered in the performance of their duties. It permits them to speak in the House without inhibition, to refer to any matter or express any opinion that they see fit, to say what they feel needs to be said in the furtherance of the national interest and the aspirations of their constituents.

I also note on page 74, continuing on the importance of freedom of speech:

This freedom is essential for the effective working of the House. Under it, Members are able to make statements or allegations about outside bodies or persons, which they may hesitate to make without the protection of privilege.

Freedom of speech is important in this House, particularly in holding this government to account. I am sorry if the member finds that difficult, but it's our job as the opposition to raise those questions and to ask for the government to account for that.

I will note the Auditor General's report in three different places. On page 92 he says – and this was the information we were basing this on: "In fact, for several years the measure portrayed satisfactory performance by the royalty regimes while detailed analysis in the Department indicated otherwise." Again I'll quote from the Auditor General's report on page 106: "While the Department did technical work during that year, no detailed cross-commodity internal report supports this assertion in the Annual Report." And if I may, Mr. Speaker, on page 125: "Indeed until the 2005-2006 Annual Report, the measure indicated successful performance by the royalty regimes while technical review suggested a different result."

So I would argue that there is no point of order that has been raised. I could also go through the impugning motives, quoting *Beauchesne* 69, and I've already gone through the unparliamentary terms in *Beauchesne* 485 to 492, but I would argue that the Leader of the Official Opposition was doing his job in questioning the difference between what was in an annual report, which is expected to be truthful, and what has been raised by the Auditor General.

Thank you, Mr. Speaker.

**The Speaker:** Are there others?

Hon. members, the hon. Member for Calgary-Nose Hill was quite correct in his desire to participate by raising a point of order, and that's the right of all members to deal with this.

At the outset there were a number of citations used by hon. members. *The House of Commons Procedure and Practice* at pages 525 and 526, *Beauchesne's* paragraphs 485 through to 492 are relevant. Specifically, the chair did write down a number of words that were used today as he listened attentively to the questions and the responses, and he heard words such as misleading, deceive, cover-up, false, betray.

There are a number of factors and background that one would want to consider in dealing with this. One would be the tone, the manner, the intent, the person to whom the comments were directed, the degree of provocation, I guess, or uprising within the Assembly, the level of disorder that was created.

There's one theme, that these words were used consistently with respect to, quote, a report. The chair does not believe, in his attentiveness to the questions, that the usage of these words was directed at any individual, any hon. member; they were directed towards a report. We have had rulings with respect to this in the past, that a point of order, a point of privilege must be directed against an individual.

However, having said that, the use of unparliamentary language

– it's also very true that on one day it may be acceptable. On the next day and in the case of the context in which it is, it may not be acceptable. The hon. Member for Calgary-Nose Hill specifically used the word "cover-up," yet in section 490 in *Beauchesne*: since 1958 it has been ruled parliamentary to use the following expression: "cover-up." It's the context, essentially, in which it is. If the attack here is a cover-up against a report, that's entirely different than some hon. member standing up and basically saying that it was a member of the House. If it was a member of the House who was accused of a cover-up, then, in essence, there would have been an interjection, and the chair would have hoped that the House leaders would have been to the intent very, very quickly on that.

However, having said that, there is a line which all hon. members must conduct themselves by, and it's to that line that the chair would remind all members that they should be temperate and their statements should be worthy of the place in which they have uttered those words. This is an honourable institution, and this is an institution of decorum, and there are some words in the English language – it's amazing how there are some great books, in fact, dealing with synonyms, there are some great books on wit, and there are some great books on humour, and there are some great books on startling statements of innuendo, and sometimes we just use the base of the word. Great parliamentarians like Winston Churchill and others could always find a statement for a situation that would have much more impact than words like misleading, deceived, cover-up, false, betrayed.

Hon. Member for Peace River, do you have a point of order, sir?

#### Point of Order Members' Statements

**Mr. Oberle:** Thank you, Mr. Speaker. I rise on a point of order pursuant to Standing Order 23(i). Earlier, in a member's statement given by the hon. Member for Calgary-Varsity, he made what I believe to be disparaging remarks about the Premier's attendance in this Chamber during question period, offering not only his prediction about what it was going to be like today or in the future but what it's been like in the past. He also impugned some motives on the Premier, seemingly implying that he's ducking or for some other reason.

Mr. Speaker, clearly, page 522 in *Marleau and Montpetit* states: "It is unacceptable to allude to the presence or absence of a Member or Minister in the Chamber." I would ask that this member be called to order and asked to withdraw those remarks.

**The Speaker:** Actually, I'm going to deal with this without any further interjections. This Assembly dealt with changes to the Routine, and this Assembly agreed to invent the section of the Routine called Members' Statements. It was clearly understood by all members at the time, in the invention of this process, that members would have two minutes to speak on any range of subject that they would want to speak on and that the chair would not accept points of order or points of privilege on anything arising out of these members' statements. There was a warning given, in fact, by the chair before the Assembly agreed to this, saying: "How would the Assembly want the chair to deal with this? If there was a statement of such great insult and provocation, would the chair intervene?" The Assembly said: "No. The chair should not."

That has been the ruling when this has been raised on previous occasions. Members have an opportunity for two minutes to display their thoughts as they so choose. Needless to say, on all of us there always is, though, a responsibility, certainly, for honesty. There is certainly a responsibility for integrity. However, members may view what has been said in different ways, and that accounts for this.

This is not a point of order. This is following the tradition of the

House of a ruling of a part of the Routine we currently have. There is a committee, a committee of hon. members, set up that always consistently looks at the operation of the House and can deal with it if they so choose, but today it's not a point of order.

head: 2:40

#### Orders of the Day

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

#### Bill 7

#### Private Vocational Schools Amendment Act, 2007

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

**Mr. Webber:** Thank you, Mr. Speaker. I'm pleased to rise today to move third reading of Bill 7, the Private Vocational Schools Amendment Act, 2007.

I would like to briefly summarize the proposed changes that are included in the bill and provide clarification on certain points raised by members during the Committee of the Whole discussion of the bill. To begin, amendments in the bill change the name of the Private Vocational Schools Act to the private vocational training act and change the name of the director to the director of private vocational training. This is being done to clarify that it is vocational training programs and not institutions that are licensed.

Other amendments included in the bill remove the provision for licensed programs to be categorized as either class A or class B based on performance outcomes. The intent of this change is to enhance consumer protection by requiring all licensed programs to demonstrate satisfactory performance outcomes.

Bill 7 also includes changes to the act to make it more reflective of today's environment with respect to licensing by providing a mechanism whereby a licence can be cancelled upon the request of a licensee, subject to all of the licensee's obligations to students being met. There is no mechanism in the act at present that accommodates requests from licensees to cancel licences.

Amendments also included in Bill 7 remove the requirement that licences be renewed every two years. I'd like to assure members that this change will streamline administrative processes but will not lessen the attention that is given to monitoring and compliance assurance activities. Although this change provides the flexibility to free licensees that demonstrate compliance from the administrative exercise associated with renewals for longer time periods, licensing periods can be made as short as deemed appropriate.

During the Committee of the Whole discussion of this bill members raised the matters of licensing requirements and ongoing monitoring, so I want to provide you with further information on these points. As I mentioned in the Committee of the Whole discussion, licensing requirements are specifically set out in regulation. These include the demonstration that there is a reasonable labour market for graduates, the posting of security to be used to provide tuition refunds to students when necessary, entering into a standard enrolment contract with each student that identifies all costs for the training program. Ongoing monitoring includes on-site visits, meetings with institution owners and representatives and frequent interactions with institutions, the review of requests for program changes submitted by institutions, review of complaints received from students and other parties, and the analysis of performance outcome information that must be submitted annually to the ministry.

I would also like to clarify at this point that private institutions that offer licensed vocational training programs generally do not receive government operating grants.

To conclude, the remaining changes included in Bill 7 update the

Private Vocational Schools Act by revising the wording used in reference to the information that is set out in licences, the manner in which notices of program licence cancellations or suspensions are provided to students, and the manner in which notices under the act are served.

Finally, Mr. Speaker, I ask that all members support the passing of this bill. Thank you.

**The Speaker:** The hon. Member for Calgary-Varsity. We're in third reading of Bill 7.

**Mr. Chase:** Thank you very much, Mr. Speaker. The vocational schools, whether public or private, do a great service to the province of Alberta, and I would like to recognize the Vocational and Rehabilitation Research Institute, which sits across from the University of Calgary and works with the University of Calgary in the constituency of Calgary-Varsity. This Vocational and Rehabilitation Research Institute will soon be celebrating 41 years of serving the community, and it has served the community very well.

In its early undertakings I had the opportunity as a first-year student in education at the University of Calgary to work with students of the Vocational and Rehabilitation Research Institute in developing language programs and specifically helping them with trade considerations such as the appropriate language that a salesperson might use in selling a product. I found the members of the class that I participated in at the Vocational and Rehabilitation Research Institute very excited and enjoying the role play associated with selling goods. In fact, their enthusiasm was so great that I had to caution them that if one of their classmates appeared less than eager or willing to purchase their piece of merchandise that they were role-playing and selling, then they should not threaten to pound the individual if those products weren't received.

Over the years the Vocational and Rehabilitation Research Institute had a series of programs to train individuals with disabilities to participate in a full life experience, and with the VRRRI celebrating, I wanted to take this opportunity to recognize 41 years, which will soon be coming up, of dedicated service to the community and the long association with the University of Calgary.

With regard to Bill 7, Private Vocational Schools Amendment Act, I appreciate the Member for Calgary-Foothills giving some of the oversight mechanisms that the government uses to evaluate vocational colleges. I know from having met, along with members of my caucus, administration from Grant MacEwan Community College that there is an expectation with community colleges and other vocational colleges as well as academic institutions of a peer review format. In Grant MacEwan's case they sent out to 32 different institutions to recognize their applied degree-granting programs. They welcomed that external input.

I would hope that in the government's oversight of much-needed private vocational schools, the peer evaluation of the various institutes would be the equivalent of a SAIT or a NAIT in terms of the programs that they would offer, granted on a much smaller scale because they are private and they aren't government funded. I am hoping that that government oversight is very much there to make sure that the programs are of value and that the students who participate in these programs can be assured of training that will then qualify them for the very necessary market that we're experiencing in Alberta, where we have a tremendous shortage of skilled professionals.

Again I'd like to thank the Member for Calgary-Foothills for bringing forth Bill 7. As a past educator I believe that government oversight, whether it's for public institutions or for private institutions, on an ongoing basis is absolutely essential.

Thank you.

**The Speaker:** Others? The hon. Member for Edmonton-Ellerslie.

**Mr. Agnihotri:** Thank you, Mr. Speaker. I'm pleased to rise and speak to Bill 7, Private Vocational Schools Amendment Act, 2007. First of all, I want to thank the Member for Calgary-Foothills for sponsoring this good piece of legislation. This bill is about changes in licensing procedures for private vocational programs, eliminating different classes of licences and switching from biennial renewal of licensing to an ongoing monitoring system. The removal of the licence classes eliminates the current situation of second-class institutions. It also slightly weakens what private institutions must do if a program is found to be unsatisfactory by the ministry.

Definitely, I will support this bill, Mr. Speaker, with some clarification, a clarification of how the regulation will change, also with a reservation made over the weakening of requirements when a program is cancelled or suspended by a ministry. I just wanted to know why this change is needed.

They are not the most dramatic changes, but they are positive. Removing the class B licence of school is positive. If graduation rates and employment placement rates are unsatisfactory, then these institutions should not receive a licence. This does all rely on the government changing the regulation accordingly.

2:50

Mr. Speaker, we also need clarification of the oversight process. As it stands, the legislation limits licences to two years in duration. The renewal process for those licences means at least in theory that every two years the program is re-evaluated by the director, ministry, and this should ensure that standards do not slip. The proposed change suggests a rolling, constant evaluation. Whether this will take place is unclear. It places more control in the director's hands as they are no longer mandated to issue any extension.

The message we had from the ministry was that this was a housekeeping bill, changing the wording of the legislation to reflect current practices. That seems to hold with the reading of the bill.

Alberta, Mr. Speaker, has approximately 140 private vocational schools offering thousands of training programs from accountancy to hairdressing, for example Marvel college, professional medical associations, and so many others. We Alberta Liberals recognize and appreciate their contribution to our communities.

Students at private vocational schools are eligible for Canada and Alberta student loans. According to the latest statistics we have from the government, \$6.4 million went to students at private vocational colleges in the year 2003-2004, a tenth as much as the public-sector students, approximately \$64.6 million. The drop-out rate for private vocational schools is much higher.

With regard to the areas changed by this legislation, currently there are two classes of licences for private vocational schools. A class A licence means a licence that authorizes the licensee to provide the vocational training specified on the licence and signifies that the programs are new or the programs have a student graduation rate and employment placement rate that are satisfactory to the director. A class B licence means a licence that authorizes the licensee to provide the vocational training specified on the licence and signifies that (a) the programs do not have a student graduation rate and an employment placement rate that are satisfactory to the director; (b) the director is unable to form an opinion about the student graduation rate or the employment placement rate in respect of those programs. Thus, Mr. Speaker, currently the program can have an unsatisfactory graduation rate and employment placement rate yet still have a licence to provide vocational training. The bill would remove that distinction.

Also, Mr. Speaker, currently in place is a term limit for licences

of two years. After that time they need to be renewed. This provides some impetus for oversight by the director but doesn't guarantee it. The renewal process is not at all complex. As long as the director is satisfied that the licensee is in accordance with the act and regulations, then their licence is renewed. Removing the licensing category that allows private vocational schools to have unsatisfactory employment and graduation rates is a positive move. These programs charge students a lot of money. They should offer a decent service for that money. The government needs to ensure that all programs – all programs – offer students satisfactory graduation and employment rates.

Once again I commend the sponsor, the Member for Calgary-Foothills. I definitely support this bill. Thank you very much.

**The Speaker:** Hon. members, Standing Order 29(2)(a) is available. Deputy Government House Leader, do you want to rise on this point or participate in the bill? Okay. Well, Standing Order 29(2)(a) is available should there be a question.

There being none, then I'll call on the hon. Associate Minister for Capital Planning.

**Mr. Zwozdesky:** Thank you very much, Mr. Speaker. It's a pleasure to rise just briefly in support of Bill 7, the Private Vocational Schools Amendment Act, as brought forward by our good colleague from Calgary-Foothills. I want to begin by saying that I certainly support the broad scope and nature of this bill. In addition to some of the often referred to cosmetic changes, such as changing the name and so on, there are some other very important changes that have been commented on at some length.

I happened to be speaking with some folks about vocational schools in general over the last few weeks, and I just wanted to indicate that I also support this bill because it goes on to also clarify that it is the specific vocational training programs that are being licensed hereunder and not the institutions per se. I know that we have a number of these vocational institutions in our province, dozens and dozens of them, probably a hundred or more, and I think that's very indicative of how important they are and how reliant they are on our reviewing the laws and statutes that govern their operations from time to time. That, in fact, is what the hon. member is doing here.

Just two other quick points, Mr. Speaker. I heard a lot of comments about putting in a clause that would allow for the cancellation of some of these licences after they have been granted mostly because there is a void in the act as it is currently worded. This will certainly address that particular void. So it's just as important and necessary to give the parameters surrounding such cancellation as it is to have the cancellation clause in there itself. I know that has been addressed or there will be further address of that subject in the regulations that will undoubtedly accompany this.

The other comment I wanted to make was that I also appreciate that there will be constant vigilance and monitoring of this whole licensing provision, including visiting the sites where program delivery is actually happening as well as consultations and also helping with respect to the compilation of specific information that has to now be submitted, as I understand through the bill, on a very regular basis. Those are two very important points. In the end, Mr. Speaker, we're trying to help students help themselves, and we're trying to help these institutions, these private vocational institutions, deliver the best programs possible.

I realize that there are other amendments within the bill, but those are some of the highlights that my constituents wanted me to comment on in particular, so I'm pleased to do that.

My last point is simply with respect to the overall enhancements

that are going to follow for consumer protection as a result of this new and renewed licensing program as evidenced in the act.

So with that, I'll take my seat and once again thank the hon. Member for Calgary-Foothills for his vigilance in bringing this good law forward at this time. Thank you.

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

There being none, additional speakers? The hon. Member for Edmonton-Calder.

**Mr. Eggen:** Well, thanks, Mr. Speaker. I just wanted to make a couple of additional comments in regard to this bill after my previous comments and reflection. I certainly will vote in support of this bill, but as the hon. speaker just previous to me has mentioned, perhaps, you know, I would want to make a comment to help to ensure that the regulative side of this bill covers a number of concerns that I have. The merging of the class A and B licences combined with the removal of the two-year limitation on licences I believe, in my mind, represents a downgrade of enforcement and oversight in regard to private vocational schools. So I just want to make that comment.

3:00

Although the ministry does promise to continue with oversight of this sector, current changes seem to be suggesting the opposite of that. The graduation rates, for example, which seem to separate class A and B licences and regular licenses, represent a part of this oversight procedure, and they also happen to be two criteria that are being removed from the act and its regulations, so I was concerned about that. As I said before, no clear indication of what sort of oversight might actually take place. This is one question that I had.

Another one was to know what kind of oversight is taking place right now within the ministry to ensure that these problems do not pop up. For example, how many private vocational schools have been in fact audited and investigated by the ministry in the last four years or so? How often does the ministry review the 140 or more private vocational schools to ensure compliance? You know, in the 2005-2006 report it stated that \$87,000 had been granted to Columbia College, which is a private vocational school. How much money has been given to private vocational schools in this last year, 2006-2007?

Mr. Speaker, I just want to ensure that the ministry through this bill or through its accompanying regulations institutes regular inspections of private vocational schools to ensure that minimum standards are being met for future development and for the benefit of postsecondary education in general here in the province of Alberta.

Thank you.

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

Additional speakers?

Shall I call on the hon. Member for Calgary-Foothills to conclude the debate?

**Hon. Members:** Question.

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

**Mr. Webber:** All right. Well, thank you, Mr. Speaker. I would like to thank the hon. members for Calgary-Varsity and Edmonton-Calder for speaking about the bill and thinking that the bill is now fit to be amended. Your support is appreciated. I see that you must have read the entire documents on the regulations and the *Hansards*

in the past to answer most of your questions from Committee of the Whole, so that's great.

Mr. Speaker, I'd just like you to call the question.

[Motion carried; Bill 7 read a third time]

### **Bill 8 Vital Statistics Act**

**The Speaker:** The hon. Member for Whitecourt-Ste. Anne.

**Mr. VanderBurg:** Thank you, Mr. Speaker. I rise to introduce third reading of Bill 8. I'd like to also take this opportunity to further respond to questions raised in Committee of the Whole.

With respect to the time period to submit a medical certificate of death, the physician or medical examiner must file an interim medical certificate within 48 hours of the death. The timeline has been extended to file the final medical certificate from 30 days to 60 days because a final medical certificate may require autopsy work. Last year approximately 80 per cent of the final medical certificates were not filed in time to meet the 30-day deadline.

With respect to an appeal from a medical officer of health's decision whether or not a body can be disinterred, there is no appeal. This is because the medical officer of health would be evaluating the potential public risk associated with disinterring a person who has died of a communicable disease. If the medical officer declares a disinterment a risk to the public, his decision would be final.

[The Deputy Speaker in the chair]

Regarding register books for marriage commissioners, registered marriage commissioners must have register books. It would be too onerous to require a temporary marriage commissioner, who may only perform one marriage, to maintain a register book. Vital statistics has other mechanisms in place to register a marriage should the registration go missing, such as an affidavit from a person who has solemnized the marriage.

Mr. Speaker, I'd like to thank the individuals within the department who have helped work on this bill: Barry Haugrud, Rosanne Dofner, Katherine Olson, Barb Lepage, Nikki Abele, Heather Innes, Martine Sallaberry, Alice Barnsley, Allison Matichuk, and Di Nugent. I'd also like to thank the members of the opposition from Edmonton-Rutherford, Edmonton-Strathcona, and Edmonton-Glenora for their assistance as well.

Thank you, Mr. Speaker.

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

**Mr. R. Miller:** Thank you very much, Mr. Speaker. My comments on Bill 8 in third reading will be brief. I think the Member for Whitecourt-Ste. Anne has done an admirable job in addressing not only the questions that I raised in second reading and while we were debating in Committee of the Whole but throughout the first part of this legislative session, back in the spring, when we had a number of questions. He was very accommodating in providing answers to those questions.

As I've indicated a couple of times, our caucus will be supporting Bill 8. We've raised some concerns around the sensitivities involved, the cultural sensitivities particularly, and will be interested observers, I suppose, as this legislation is put into place to make sure that those concerns that we've raised have been addressed with this legislation properly, and if for some reason that proves not to be the case, then I'm sure there will be discussions with the ministry to

address those. But for the most part what we're doing here is moving into the 21st century some legislation which, I understand, in some cases can be 50 years old or older, so it's perhaps long overdue. I suppose the only question would be: why do we wait so long on some of these things?

The independent Member for Edmonton-Manning has before this House a bill that deals with red tape. One of the proposals that comes from the B.C. model is to eliminate two regulations for every one new regulation that is put forward. That sort of thing, if it were to be done in this province, might actually spur us on to review regulations and legislation more often, and maybe we wouldn't find ourselves dealing with a situation that's been left so long. I hope that those comments might spur those on the other side that are involved in drafting legislation to look at more pieces of legislation that perhaps should be reviewed.

As I said, for the most part we're onside completely with Bill 8 and hope that it accomplishes the things that the mover and the minister have set out for it to do. As I say, we'll be interested observers and hopefully helpful critiquers if, in fact, that's not the case.

Thank you, Mr. Speaker.

**The Deputy Speaker:** The hon. Member for Calgary-Varsity.

**Mr. Chase:** Thank you very much. As my esteemed colleague for Edmonton-Rutherford has already noted, we are supportive of Bill 8. Again, I would like to just offer some cautions. FOIP, when used as it's intended, protects individuals and their identities, as it should do. When it's used to simply hide information that should be public knowledge, then there is a concern. We've had examples in Alberta of almost 2 million more health premium cards being printed than the actual population of this province; therefore, whatever we can do to make sure that identity theft or the misuse of a person's identity is prevented, the better.

We've also had experiences where unencrypted files stolen from a laptop computer with Calgary regional health records caused great concern. Recently in Edmonton the records of families looking after children for the government, foster families, turned up in a dumpster. We've had examples where computers have either been stolen or not been wiped clean of the government information on Albertans that was stored there. So I can't overemphasize the need to properly prevent identity theft. In Alberta we've had instances of people claiming that a property was actually theirs and causing individuals great loss of monies over identity theft in claiming that the house was actually belonging to them, and it turned out to be sold out from under them.

3:10

We have had concerns about how well contained our information is from the inquiring eyes of the PATRIOT Act and U.S. legislation which continues to, I would suggest, pry into Alberta and Canadian affairs way beyond the level of security that is necessary.

We had a circumstance this past spring with regard to the federal government's indication of names and identity. There was an impression left in parts of India, especially northern India, and in the country of Pakistan where the name Singh caused confusion. Because Singh is such a common name, the idea was suggested that possible immigration of individuals with the last name Singh might not be accepted. There was the appearance of a push to have individuals change their last name so that it was Singh hyphenated so as to clearly identify the individual.

While we support Bill 8, I want to share my colleague Edmonton-Rutherford's caution that protecting legitimate privacy is of utmost

concern. We will continue to support and hold the government accountable for protecting that legitimate privacy.

Thank you.

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

Seeing none, are there others who wish to participate in the debate?

Does the hon. Member for Whitecourt-Ste. Anne wish to close?

**Mr. VanderBurg:** Call the question.

[Motion carried; Bill 8 read a third time]

head: **Government Bills and Orders  
Second Reading**

**Bill 24  
Real Estate Amendment Act, 2007**

[Adjourned debate November 8: Mr. Rogers]

**The Deputy Speaker:** The hon. Member for Leduc-Beaumont-Devon.

**Mr. Rogers:** Thank you, Mr. Speaker. I look forward to continued debate in second reading.

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

**Mr. Agnihotri:** Thank you, Mr. Speaker. I'm pleased to rise again to speak to Bill 24, the Real Estate Amendment Act, 2007. This bill is just to strengthen the ability of the Real Estate Council to investigate cases of mortgage fraud. The amendment act also makes a criminal record check, especially for certain professions, like real estate agents, mortgage brokers, or appraiser guys – you know, some appraisers are licensed, and some are not. This is very important because they are dealing with the public, and the public should be aware of how those people are dealing with the public. It impacts. It's a huge amount of money sometimes, and the people who are not educated, the people who don't understand the practice in this field, sometimes lose quite a bit of money.

Mr. Speaker, the bill definitely will increase the amount of power for the minister to set regulations on various aspects of the oversight mechanism of real estate agents and mortgage brokers. This is something we have long had concerns about.

I am still a licensed real estate agent. I know there are many flaws in the system even though we have so many organizations like the RECA and the Real Estate Board. They always talk about their ethics, but still even some realtors who are licensed don't stick with the rules and regulations. We have a school in the Real Estate Board. They try their best. They teach all the real estate agents about ethics, but in the last, say, seven, eight, nine years in my profession as a realtor I found out that not many realtors are working according to the ethics that they learn from the school. This bill is very important for them, especially if this act has some teeth. If we keep on passing the acts and we don't enforce them properly, this act will mean nothing.

Mr. Speaker, in this bill we talk about the regulations again this time. I just want to know: what are those regulations, and why don't we discuss those regulations here in this Assembly? This is very important. Giving powers to the ministers, and they will deal with the Real Estate Council or the Real Estate Board – I think it should be open. We should discuss those regulations here in this Chamber.

This is my suggestion. Everybody should know, not just giving more powers to the minister, and they deal with the RECA or the board. Some government-side members sit on the board. They know the ins and outs, and they have connections, and some people know that. I'm not, you know, saying that they're not telling the people whatever is happening here about the regulations, but I think it should be open to all of us sitting in this room.

This bill, Mr. Speaker, will work to combat mortgage fraud more effectively if we discuss the regulations here, if we discuss the full details here of what those regulations are. If we debate properly on those regulations, it would be more effective for the public. After the bill passes, it makes the act, and not only the RECA but the public should be aware about this act. This is a valuable task. The Alberta Liberal caucus, however, has always taken the position that shifting too much out of the legislation and into the regulations is a problem. This basically gives the minister the power to change how the law is applied whenever they want through orders in council.

3:20

I just want to touch upon a couple of things about mortgage fraud. I remember that last time – I don't remember exactly; I think Bill 12 or 13 was also about mortgage fraud – I talked about that. I talked about the assumption of the mortgage. Let me say a few words about the assumption of the mortgage. Some people might not know. Assumption of the mortgage is simply if somebody who has the mortgage sells their property, and the new buyer assumes their mortgage.

Some people, not all people, you know, are doing the right thing, but some people are making fraud because they want to sell their property. Sometimes they go to the bank, get the high percentage of the mortgage, and then when they sell their property to the buyer, they don't lose anything; they make money. But some people have the bad record. I think this is only happening in Alberta. Some other provinces in Canada are quite aware of this practice. I know that the RECA was working hard to stop this assumption of the mortgage, and I think that practice is still going on. I want the sponsor of this bill to make a note. I want him to discuss with the RECA if possible, and they can give us better suggestions as to how we can enforce that. Definitely if you don't have assumption of the mortgage in Alberta – other provinces are aware of this – then we can stop at least some fraud in the mortgage system here in Alberta.

The next thing I want to talk about, Mr. Speaker, is criminal record checks for all realtors. The RECA has the process. They always ask licensed realtors to update a certain number of hours. They educate them. But even after taking those classes, still some realtors don't, you know, go by the rules and regulations as well as the teachings from the real estate institutions. They are doing something which is totally unethical. They don't care about the public. They only care about the money they make. This is not right.

I'm not blaming the RECA. They are trying their best, but how can we control this thing? I mean, the process is there, but some people get some witnesses, and then they get away with that. They even do some criminal things, but after some time they come back and start a practice in the real estate profession. I think we need some enforcement. We need some more strict rules just to stop this kind of practice in Alberta. Some other provinces have. I think if we follow some other provinces, you know, it might help Albertans do their business. They can deal with the professional people in Alberta.

The third one is that some appraisers in Alberta still don't have licences. They appraise the property, and some people do it intentionally. They always appraise the property for less money.

They don't tell the truth, sometimes, to their own clients. Sometimes realtors and appraisers – they know each other very well – make deals, and it's very hard to find out if the dealings are done, you know, under the table.

I'm sure that if we debate this issue on all different types of fraud in this Assembly, we can find out some sort of enforcement method we could enforce and give some more powers, not only to our minister. Okay? After discussion I want to see a powerful organization that can go after the appraiser people who are not professionals, and I want an entity or organization that can go after those realtors who have criminal records. I want them to go after who makes the mortgage fraud in Alberta, Mr. Speaker.

This is not the first time I have seen legislation about mortgage fraud. The Real Estate Amendment Act is so very vast. I mean, there are so many loopholes in the Land Titles as well. I am sure the sponsor of this bill, the Member for Leduc-Beaumont-Devon, worked really hard to bring this legislation again and again. His background is also in the same profession, and he knows about this very well.

My suggestion to all members sitting in this House is that we should take it very seriously. The fraud in this industry is still going on. Whether it's in the assumption of mortgages, whether it's appraising the property, or whether it's the practice, realtors – some, not all of them – are doing unprofessional practices in Alberta. So we should stop that practice here in Alberta and do the right thing.

I support this bill with some reservation, like I mentioned, and I'm sure the sponsor of this bill will look into this with some stakeholders, especially the RECA. Definitely we can improve this legislation. I want to make sure this time. When we pass this bill, it should help all realtors.

The majority of the realtors in this province are honest people. They are professionals and should do the right things in this province. So are most of the banks. They don't want to lend money to people who make frauds. There are lots of good appraisers, and they are doing a good job professionally. Definitely they should have checks and balances on all three types of professions, and we should make sure we strengthen this bill as much as we can.

Thank you very much.

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

**Mr. Eggen:** Thanks, Mr. Speaker. I'm just rising very briefly to make a comment on Bill 24, the Real Estate Amendment Act. Certainly, the New Democrat caucus is in support of this bill as well. For a number of very, I think, practical reasons the Advisory Committee on Mortgage Fraud urged the government to allow increased sharing of information related to mortgage fraud, so this helps, through Bill 24, to identify the ways to investigate the suspected fraud. A criminal record check is certainly a good thing to have for real estate agents, mortgage brokers, and appraisers as well that wish to be licensed.

3:30

I've actually encountered this unfortunate fraudulent activity on more than one occasion over the last three years through my work as an MLA, and I can't think of anything more financially devastating for a family than to be taken for a ride on the mortgage of their home and essentially lose a home under false pretenses. We're talking about many tens of thousands of dollars that, unfortunately, were misappropriated by unscrupulous mortgage people.

I welcome Bill 24 if this in any way can assist and reduce the incidence of fraud in mortgages here in this province of Alberta. Every interested party that we had a chance to speak to certainly did

endorse this change as brought forward by Bill 24, so I'm happy to support this bill.

Thank you.

**The Deputy Speaker:** The hon. Member for Calgary-Varsity.

**Mr. Chase:** Thank you very much. Like my expert colleague from Edmonton-Ellerslie, who has spent a large part of his life dealing with real estate and appreciates the type of integrity it is necessary to possess to represent your customers, while I don't have near the expertise, I do have concerns which, hopefully, Bill 24, the Real Estate Amendment Act, 2007, will address, and that is the area of fraud. As a young man I was the victim of fraud in terms of buying a second-hand car. I purchased the car with cash from a family friend. When I went to register the vehicle, nothing showed up in the way of a lien, but about five months into the driving of this vehicle a lien showed up to the point where the total value that I had paid for the vehicle was in fact owing to the bank that had previously financed the purchase of that vehicle. So I learned a relatively small lesson in honesty at the loss of \$500.

As has been pointed out, there isn't a great deal of difficulty in obtaining a real estate licence or an appraiser's licence, and with the hot market that we're experiencing in Alberta and the flipping of properties with such great speed, there is the potential for fraud. To whatever extent Bill 24 seeks to eliminate those fraudulent processes, the greater our support for it.

I should just mention that members of the Alberta Liberal caucus met with Privacy Commissioner Frank Work with regard to our responsibility as notaries public and commissioners for oaths. Quite often we're asked to attest to an individual's identity. In our capacity we're often brought in to review wills, transfers of properties, and so on. Obviously, for the majority of us this isn't something with which we've had previous training or expertise, so Mr. Work cautioned us to a great extent that before we provide our constituency office stamp or our signature, to the greatest extent possible we search the individual's information and background. Of course, as everybody knows, we keep copies of that information, but there is always the possibility that the seal that we have been given as elected representatives could be misused by individuals pushing to have a signature or with incorrect credentials. It's just a cautionary note to my fellow colleagues that as notaries public and as commissioners for oaths we have to be especially careful in our due diligence that we don't unwittingly participate in a fraudulent exercise.

Thank you.

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

Seeing none, are there others who wish to participate? The hon. Member for Edmonton-Rutherford.

**Mr. R. Miller:** Yes, very briefly, Mr. Speaker. I'm certainly not an expert when it comes to real estate, unlike a number of colleagues in this House, but just a couple of quick questions that I have in regard to Bill 24, the Real Estate Amendment Act, 2007. I think the fact has already been discussed that an awful lot of this legislation is going to be in regulations as opposed to in the actual legislation. My concerns over that are well known and I think always worth reiterating.

I'm wondering, though, if the mover of the bill might be able to inform us when he responds in the committee stage as to just exactly what entities were consulted in the drafting of this bill. I'm particularly wondering whether or not the Alberta Association of the

Appraisal Institute of Canada was consulted, whether or not the Alberta Assessors' Association and the Canadian National Association of Real Estate Appraisers were consulted in the drafting of the bill. If, in fact, they were consulted, what sort of input did they have into the drafting of the bill?

When we get into committee, I'll have some questions about section 8. In particular, it discusses who shall and shall not collect a commission or remuneration for services. I'm wondering with particular reference to [www.comfree.com](http://www.comfree.com) and some of the other web-based sales tools that are out there now for individuals whether or not that section might directly impact the activities of some of those companies and how. That would be some guidance that I would be looking for from the mover of the bill when he comes back into the House at the committee stage.

Thank you.

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

**Hon. Members:** Question.

**The Deputy Speaker:** The question has been called. Does the hon. Member for Leduc-Beaumont-Devon wish to close debate?

**Mr. Rogers:** Thank you, Mr. Speaker. It is my pleasure. I want to thank the hon. members who participated in the debate for their input on this bill. Suffice to say that as someone who practised in this industry for 12 and a half years, I'm very pleased to see that we're bringing these changes forward.

For the most part, Mr. Speaker, this industry is made up of some exceptionally professional and credible people, but unfortunately, particularly in this hot economy that we have today, there are unscrupulous people that will worm their way into the industry, so to speak. I would suggest to you that these amendments that are proposed here will go a long way to bringing back credibility to the marketplace and to protecting our consumers.

With that, Mr. Speaker, I move second reading of Bill 24.

[Motion carried; Bill 24 read a second time]

### **Bill 23 Unclaimed Personal Property and Vested Property Act**

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

**Mr. Renner:** Thank you, Mr. Speaker. On behalf of the Minister of Finance it's my pleasure to stand today and move second reading of Bill 23, Unclaimed Personal Property and Vested Property Act.

Before I get into the details of the legislation, I would like to take a moment, Mr. Speaker, to provide some background information on how this legislation was developed. The Uniform Law Conference of Canada has recommended that all provinces adopt policies to protect a one-stop process for people to recover their unclaimed property and to provide governments with the ability to administer that property until it is reclaimed. At the same time various Alberta government departments suggested that processes be developed to resolve long-standing issues related to vested property from dissolved corporations.

**3:40**

Recognizing the cross-ministry implications, representatives from a number of Alberta government ministries prepared a discussion paper, that was released for public consultation in September of

2005. The resulting Unclaimed Personal Property and Vested Property Act was introduced as Bill 41 during the 2006 spring sitting. Although the bill passed first reading, it was allowed to die on the Order Paper to give Albertans another opportunity to provide input on this groundbreaking bill. Both the discussion paper and Bill 41 were well received, with only minor changes to the processes and legislation resulting.

Mr. Speaker, Bill 23 is being proposed to achieve two main goals. The first goal is to establish a primary repository and claim system for unclaimed or abandoned property of Albertans. To accomplish that, Bill 23 would require holders to pay or to deliver assets that remain unclaimed after the end of a specified holding period together with information on apparent owners to a central repository. Owners will be able to search a single registry to determine if the Crown holds assets that belong to them or that they are entitled to. A single-stop repository makes the process of locating unclaimed assets easier for all owners. To accomplish the second goal of establishing a clear process to manage and resolve issues related to property that vests in the Crown after a corporation's dissolution or in other circumstances, Bill 23 proposes several measures.

First, Bill 23 proposes a five-year period during which a corporation can be revived. Experience has shown that very few corporations are revived after five years. Once the period has passed, property vests permanently in the Alberta Crown. It is anticipated that vested property would include land. The legislation proposes a process that will enable the Crown to take title to the land and remove various encumbrances with sufficient warning. At the same time creditors would retain the right to enforce any security interest they may have in both unclaimed and vested property. Claims for the return of such unclaimed and vested property will be allowed for 10 years from the date the property is transferred to the Crown.

In summary, Mr. Speaker, this legislation will establish clear rights, obligations, and procedures for facilitating the return of unclaimed property to its owners when managing vested property. I urge all members of the Legislature to give their support to Bill 23.

Thank you.

**The Deputy Speaker:** The hon. Member for Calgary-Varsity.

**Mr. Chase:** Thank you very much, Mr. Speaker. We support the intention of Bill 23, Unclaimed Personal Property and Vested Property Act, 2007, but we feel that it needs to be strengthened. As a result, when we come to Committee of the Whole, we'll be introducing amendments to further strengthen this bill.

Just to provide a little bit of background on how we got to today on Bill 23. In 2005 the government released a discussion paper about Bill 23. It wanted to hear from Albertans about how to deal with vested property from dissolved corporations; that is to say, property that comes into the possession of the Crown after the corporation is dissolved and unclaimed personal property. According to a Finance spokesperson the government received rather dismal interest from the public, but credit to the government for having pursued this concern.

Last spring the government tabled this piece of legislation as Bill 41, but it died on the Order Paper. The government claims that it wanted more input from Albertans about the bill, and praise be to the government for seeking input. That's what Albertans are all about: providing that input, which, hopefully, the government then acts upon. Since that time the government has received no substantial submissions from stakeholders according to the spokesperson. The department, however, has not released the comments.

Bill 23 primarily gives the government rules to deal with property from dissolved corporations and unclaimed personal property.

When a corporation dissolves in Alberta “any property still owned by a corporation at the date of its dissolution vests in the Crown.” That comes from the 2005 paper. But in the absence of clearer guidelines or policy, the provincial government claims that it has limited authority to resolve these issues. Decisions are therefore made on an ad hoc basis. Some land issues have been difficult and time consuming to resolve. The department is not aware of any other province with legislation in this area, so Alberta would be a leader.

According to the 2005 discussion paper the second issue relates to unclaimed property of individuals. Four provinces – B.C., Quebec, Prince Edward Island, and Ontario – have enacted legislation to provide a means of reuniting people with their unclaimed or abandoned property and to provide governments with the ability to administer that property until such time as it may be reclaimed. That government stewardship role is key.

The Uniform Law Conference of Canada has recommended that all provinces adopt a uniform unclaimed property regime based on its uniform Unclaimed Intangible Property Act. Most U.S. states have also adopted some form of unclaimed property legislation based largely on the U.S. National Conference of Commissioners on Uniform State Laws from the 1995 draft uniform unclaimed property act or its predecessors.

I will not go into details on the areas of the amendment. I’ll leave that to my hon. colleague from Edmonton-Rutherford. But I would like to raise some questions that, hopefully, the mover of the bill can provide answers for. Amongst the questions are the following. Can the minister or the member introducing the bill explain the impact of repealing the Ultimate Heir Act? Will the minister confirm that net income from unclaimed property or estates is no longer being transferred to university scholarships? This is a concern we have: into the future are universities going to be limited in the philanthropic opportunities that preceded the enactment of this bill? If that is the case, what is the justification for cutting universities out of philanthropic opportunities?

A fourth concern is: do any other provinces, states, or federal governments have legislation to resolve property issues for formerly owned corporations? I would think that in the government’s research for this bill they probably have examples that could be used to justify this Bill 23.

Another question. The 2005 discussion paper proposed, in quotes, an unclaimed property fund. I would be interested to know why this term has been dropped from Bill 23, the justifications behind the dropping.

My last question before passing along the concerns to my colleague from Edmonton-Rutherford. The 2005 discussion paper noted that a number of corporations that dissolve revive within five years. How do we know that this legislation is going to actually make it easier for corporations to revive and get their property back?

Again, referring to the booming economy and companies’ attempts at diversification and re-creation, consolidation, et cetera, how do we know that, as I stated, they will actually get their property back, property that they’re entitled to?

Thank you.

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

**Mr. R. Miller:** Thank you very much, Mr. Speaker. As my colleague from Calgary-Varsity has indicated, we have for the most part support for this bill in our caucus although, certainly, questions remain, particularly around the use of the \$11 million that resides in the Ultimate Heir Act and, also, how those dollars are going to be dealt with in the future. Before I address that, though, there are a

couple of questions that I would like to put on the record, and hopefully either the minister or whoever is carrying the bill when we move into committee stage can respond.

3:50

The first of those would be around the consultation that was done following the bill’s demise at the end of the 2006 year. As was indicated by the Member for Calgary-Varsity, when Bill 41 died on the Order Paper, one of the reasons the government gave for allowing that to take place was that they wanted to gather more input from Albertans. We’ve been told by people in the Finance department that, in fact, there wasn’t an awful lot of input forthcoming. That would just prompt me to ask: what steps did the government take, what steps did the Finance department take to engage Albertans following this decision to let Bill 41 pass? I guess I should say “pass away” because it died. How sincere an effort was made to engage Albertans? As my colleague from Calgary-Varsity pointed out, despite the fact that the Finance department has told us that there was very little in the way of input that came back, we’ve not seen what that input was. Maybe a summary as to exactly what input was provided to the Finance ministry would be helpful in our knowing just exactly what the people of Alberta thought when they did respond to this particular bill.

Now, it was also discussed that the Uniform Law Conference of Canada has made recommendations. In large part this bill arises out of the recommendations that they made as well as the 2005 discussion paper. Apparently, other provinces do not have legislation currently in place, or at least as of the time of this research there are no other provinces that have legislation in place dealing with the dissolution of corporations, and clearly that’s something that the Uniform Law Conference of Canada was looking for. I’m wondering whether or not the Department of Finance did any research to see how other provinces deal with that, then, if they don’t have this particular legislation in place. Obviously, they’re dealing with it in some manner, so I’m curious to know if we had a careful look at what other provinces are doing and also maybe a status report as to how far along other provinces are in terms of moving towards this as well. If the idea is to have all provinces on the same page, then I’m curious to know where we’re at with that.

I will talk a lot about the money that’s currently held by the Ultimate Heir Act. Apparently, as of last spring it was \$11 million. In legislation right now this money is supposed to be turned over to universities, yet in my consultation with a couple of universities they were unaware of the fact that there was money there and certainly unaware of the fact that they were to be getting money from that fund into the universities. So one of the things I’d like either the minister or the mover of the bill to respond to is: just exactly when is the last time that any money from that fund was transferred to a university? As I say, I found it interesting that they didn’t even seem to be aware of this. I understand that in the big picture \$11 million across, you know, four or five universities might not be an awful lot of money. Nevertheless, it is money that, according to the current legislation, is due to them, and that doesn’t appear to be happening, so I would be wondering why.

Now, my colleague from Calgary-Varsity also alluded to the fact that we might well have an amendment coming. In fact, that is something that I am contemplating.

I’m curious: if the legislation as it reads now is designed to turn this money over to universities, why do we see a need to change that other than for the fact that it appears not to have been happening? I think we all understand the importance of postsecondary education. The general revenue fund in this province seems to be relatively healthy and probably doesn’t need another \$11 million, so I’m

curious to know why the need to dispense with that part of the legislation. If the legislation needs updating, fair enough. We're willing to go along with that. But why was there a need seen to take away another stream of revenue for the universities and transfer that back into general revenue? Certainly, that's an explanation that I would be looking for from the department.

A couple of questions further to where my colleague from Calgary-Varsity was going. The Minister of Environment, when he moved second reading of this bill, talked about the five-year timeline which corporations would have to revive themselves. I'm wondering if there might not be some unusual circumstances there that should be contemplated by the Finance department. As an example, perhaps, somebody who's serving in the military and is out of the country on military service for a period of time. Should we, perhaps, consider extending the five years to accommodate their service to the country? What about children under the age of 18? If it should be a minor child that owns a corporation that is dissolved, should there be some accommodation for that situation, perhaps five years from the time that that person would reach the age of majority? So just a couple of questions about that sort of thing.

I'm also wondering, I suppose, if a corporation that was dissolved were to be involved in litigation – perhaps somebody's suing them for money, and the corporation is now dissolved – what impact would that have with the new legislation? What role would the department play in that if there's a lawsuit involved? Then, indeed, I guess the question would follow: does the creditor need to notify the Crown of the lawsuit? Perhaps they already do in some legislation somewhere. I'm not sure. Then, Mr. Speaker, I think it would be obvious to ask as well: if the lawsuit were to take longer than five years to resolve, does it therefore follow that the five-year period during which a corporation could revive itself would also have to be extended because there may be litigation under way?

Sort of in terms of big-picture questions, I'm wondering if the minister or the mover can provide us with information as to how closely they've followed the recommendations from the Uniform Law Conference of Canada in the drafting of this bill. Is it an accurate reflection of the recommendations that came from the Uniform Law Conference, or are there deviations from their recommendations, and if so, what would those deviations be?

I'm curious to know what the costs of the administration fees are going to be under the new legislation. I've already asked the question about how other provinces resolve vested property from dissolved corporations. If they don't currently have this legislation in place, what are they doing to deal with that situation?

With those comments, Mr. Speaker, I will look forward to further debate in second reading and particularly look forward to some responses from the ministry when it comes time to deal with this in Committee of the Whole. As I say, there may well be an amendment from the Official Opposition caucus in regard to holding that money for universities as opposed to dumping it into general revenue.

Thank you.

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

If not, the hon. Member for Edmonton-Calder on the debate.

**Mr. Eggen:** Thanks, Mr. Speaker. I appreciate the chance to just make a couple of comments on Bill 23, Unclaimed Personal Property and Vested Property Act. We as a New Democrat caucus don't have a problem with this bill. It seems to be talking about unclaimed private property, vested properties, and dealing with some movement on behalf of the federal government, I guess.

For unclaimed private properties the bill outlines the rights and responsibilities of the holder of the land. Currently regulations set out, when land is unclaimed, the holder having the responsibility to contact the owner and inform the ministry of unclaimed land. This bill, in our minds, outlines the transfer of vested properties to the ministry.

If corporations and co-operatives and societies are involved, the bill also ensures that the mineral rights in properties will be vested and put to the Mines and Minerals Act. Although there have been provisions for land titles to be transferred to societies or corporations that have been resurrected within a reasonable time frame, there's no mention if mineral rights will ever be transferred over, too. We certainly don't have a problem with that and find it interesting that the members from Calgary-Varsity and Edmonton-Rutherford are talking about some amendments. I would look forward to seeing what those happen to be.

Otherwise, this certainly doesn't seem to be a bill that is in any way onerous or difficult for the New Democrat caucus to support. Thank you.

4:00

**The Deputy Speaker:** Does anyone wish to rise under Standing Order 29(2)(a)?

**Hon. Members:** Question.

**The Deputy Speaker:** Seeing none, the question has been called. Does the hon. Deputy Government House Leader wish to close?

[Motion carried; Bill 23 read a second time]

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

[Mr. Marz in the chair]

**The Chair:** I'd like to call the committee to order.

#### Bill 35

#### Alberta Personal Income Tax Amendment Act, 2007

**The Chair:** Are there any comments, questions, or amendments to be offered with respect to this bill? The hon. Member for Leduc-Beaumont-Devon.

**Mr. Rogers:** Thank you, Mr. Chairman. I'm pleased to once again speak to Bill 35, the Alberta Personal Income Tax Amendment Act, 2007. I appreciate the comments made at second reading by several hon. members, and I would like to take this opportunity, hopefully, to address some of the comments and questions that were raised regarding Bill 35 during second reading.

Mr. Chairman, the hon. Member for Edmonton-Rutherford asked why all Alberta tax credits and thresholds weren't indexed. Alberta indexes nearly all tax credits with the exception of the threshold amounts for political contributions and the charitable donation amounts. I think it's important to note that indexing the charitable donations threshold would in fact be worse for Albertans as it would raise the threshold at which the higher rate kicks in.

The hon. Member for Edmonton-Beverly-Clareview brought up a concern regarding the wording on credits for mental and physical impairments and whether the new wording would in fact cut off funds from those receiving them now. Mr. Chairman, the answer to that question is clearly no. In fact, changing the wording adds clarity and allows more leeway in allowing people in need to benefit from this credit.

Finally, Mr. Chairman, there were questions raised regarding specific threshold amounts: namely, for charitable donations as well as the maximum amount for medical claims. The charitable donation amount is determined by the federal government under the tax collection agreement. I'd like to point out that the \$200 threshold does not apply to each donation separately but to total donations. The first \$200 in total donations claimed in a year receives the lower 10 per cent tax credit rate while annual amounts over the threshold receive the higher 21 per cent credit. As to the medical expense claim amount, the federal government increased the maximum allowable medical expense claim for dependants other than spouses and children from \$5,000 to \$10,000, and we've paralleled this increase.

As I mentioned before, Mr. Chairman, the Alberta Personal Income Tax Amendment Act, 2007, supports Alberta's well-known tax advantage, brings Alberta's personal income tax in line with initiatives announced in Budget 2007, parallels amendments made at the federal level, and makes the act consistent with current policy.

Once again, Mr. Chairman, I thank the hon. members for their questions and comments, and I hope that I have provided sufficient clarification.

Thank you.

**The Chair:** The hon. Member for Calgary-Varsity.

**Mr. Chase:** Thank you very much. In second reading we discussed thoroughly Bill 35, Alberta Personal Income Tax Amendment Act, 2007, and I would like to thank the Member for Leduc-Beaumont-Devon for providing answers to questions that we raised at that time. One of the areas that isn't absolutely clear to me and, hopefully, the Member for Leduc-Beaumont-Devon can clarify is the exemptions for a person who is providing care for a family member, whether that's a person who as a result of age is infirm or there may be a disability associated with it, and the ability to have the expenses associated with providing that care exempted.

I know that for a considerable amount of time my father was providing care for my mother. It took a tremendous amount of his personal time and the family's time to provide the support for my mother in the house, and expenses were associated with that care provision. In this case it was my mother, but whether it's a child, an infirm individual, or somebody with a disability, hopefully, the process of claiming the exemptions will be further clarified in Bill 35, Alberta Personal Income Tax Amendment Act, as at this point there are so many individuals who have pulled themselves involuntarily out of the workforce to provide care, whether it be for children or, as I say, an individual who is no longer, for a variety of physical or mental reasons, able to cope on their own.

We pride ourselves in Alberta on giving a hand up rather than a handout, and the work of these caregivers, these care providers – it's absolutely essential that it be recognized. We're fortunate in Alberta that we have so many voluntary organizations, such as Meals on Wheels, that provide, literally, a lifeline to individuals who are forced to be at home. Of course, Meals on Wheels extends that lifeline to individuals at drop-in centres in the way of providing bagged lunch. It also through the duck soup program provides much-needed support for schoolchildren, and of course the program has a large waiting list.

I'm hoping that in Bill 35, Alberta Personal Income Tax Amendment Act, every possible legitimate exemption can be provided to individuals who either voluntarily or involuntarily have forced themselves out of a working circumstance to care for a loved one in need, and I would very much appreciate clarification that these exemptions have been extended and the role of the caregiver and

financial support for them is recognized in Bill 35, Alberta Personal Income Tax Amendment Act, 2007.

Thank you.

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

4:10

**Mr. MacDonald:** Thank you very much, Mr. Chairman. It's a pleasure to have this opportunity at committee to get some questions on the record regarding Bill 35. I've certainly listened to the discussion, and I can see where there are some very, very good things being attempted here. I'm interested to know from the hon. Member for Leduc-Beaumont-Devon if in the drafting of this legislation there was any consideration given to the fact that a number of years ago, six years ago, as I recall, we had before this Assembly – and it was passed – a bill to help tradespeople out across the province with the purchase of their tools. Since that bill was passed by the Legislative Assembly, it was never ever put into law. So it was a tax cut that was promised by this Progressive Conservative government, but there was no delivery on that tax cut. Now, in all fairness to this government, it was a private member's bill that was passed, not a government bill, but the majority of members on all sides of the House voted for this bill, and it was never made into law.

When I first saw this bill during committee, I thought we could amend this and correct that wrong and give those deserving people a tax cut. Certainly, we all know that tradespeople, many of whom purchase their own tools to take with them on various jobs, have a great deal of difficulty financing those purchases. I would only have to look at auto mechanics as an example. Some of these individuals have to have \$50,000 and \$60,000 worth of tools with them whenever they go to their work site.

So I looked at this, and I couldn't find any place in the Alberta Personal Income Tax Act, this current bill, where it could be amended to incorporate into this bill, Bill 35, what was initially voted on in this Assembly. I'm recalling, Mr. Chairman, that this was five if not six years ago, and it was a commitment made by this Legislative Assembly which was never ever delivered to the tradespeople of this province.

If the hon. member could answer my questions, I would be very grateful at this time. Thank you.

**The Chair:** Are there others?

The hon. Member for Leduc-Beaumont-Devon.

**Mr. Rogers:** Well, thank you, Mr. Chairman. In referring to the questions from the hon. Member for Edmonton-Rutherford, while I'm sympathetic to the questions he raises, I regret to say that we don't have any provisions in this bill for the situations that he has dealt with. The changes that are proposed do not reflect what he has asked about. Maybe that is something that can be brought before this House at another time, but there are no changes that would deal with the points that he raised.

Again the Member for Edmonton-Gold Bar raises the questions of tools. I would agree that particularly in this economy, where tools are a big part of the trades and with the importance of trades in this economy, that might be a very wise provision to bring forward in the future. I think he referenced some changes in a private member's bill that were never proclaimed. They're also not referenced in this bill at this time.

I will take those points under advisement and hope, as the hon. member does, that we may see some of those reflected in future amendments to the Personal Income Tax Act, Mr. Chairman.

**The Chair:** The hon. Member for Edmonton-Rutherford.

**Mr. R. Miller:** Well, thank you very much, Mr. Chairman. I do have a couple of comments regarding the opening statement by the Member for Leduc-Beaumont-Devon, when he indicated that the reason that tax credits aren't indexed is because it would actually cost taxpayers money. Indeed, the example that he cited with charitable donations: that is true. He might have misunderstood my comments in second reading. I was referring to the government's own three-column document that they provided us with. The Minister of Finance has been very forthcoming and very accommodating in terms of making those available to us.

In discussing the medical expense credit – this is the one that the mover has indicated is being moved to \$10,000 from \$5,000 in response to a change in legislation by the federal government, and we're paralleling that. I congratulated the government and applauded their move in paralleling that, but the three-column document indicates that this \$10,000 threshold will be indexed commencing in 2006, so presumably that's under way or will be retroactive once this piece of legislation passes. Then it notes under the heading Rationale that Alberta indexes most credits in the personal income tax system. So my question in second reading was: why are we indexing this particular one, the medical threshold, at \$10,000, and why are we not indexing some of the other thresholds that this legislation establishes?

As an example, Mr. Chairman, we look at the new adoption credit, a nonrefundable adoption credit, again paralleling federal legislation. That adoption credit has been established at the lesser of \$10,000 or the total adoption expenses, but there's no indication in here at all that that \$10,000 maximum will be indexed to inflation. So my question is: why not? If we're indexing the medical expense credit, why would we not at the same time extend that benefit to adoptive families and index the \$10,000 maximum credit for adoption expenses?

Another example of the same thing. I complimented the government the other day on increasing the education expense claims, Mr. Chairman. In section 16(1) they're increasing those claims from \$400 for a full-time student to \$600 for a full-time student; likewise, from \$120 for a part-time student to \$180 per month for a part-time student. So this is good work, but again the question is: if we're going to index the medical expense claim, why would we not at the same time index the education expense claims for both the full-time and part-time learners? It just seems too obvious to me, and perhaps that's why we're not doing it, because we don't always do things that are obvious.

Those are the questions that I was referring to in second reading. In the government's own document it says that we index most credits in the personal income tax system. Again, the question is: why not all? Let's give every benefit possible to Alberta taxpayers, particularly in the case of adoptive families – Mr. Chairman, we know that we need to encourage and engage more Albertans in terms of adopting children, putting them into real family home situations as opposed to foster families as soon as possible, giving them that stability – and certainly support for adult learners by way of increasing the education credit. Those are obvious to me and I'm looking forward to a response from the mover of the bill.

Thank you.

**The Chair:** The hon. Member for Leduc-Beaumont-Devon.

**Mr. Rogers:** Thank you, Mr. Chairman. In responding to the hon. Member for Edmonton-Rutherford, again I would thank the hon. member for his comments, and I would agree that he makes some

very valid points of some other worthy changes that could be made. I would commit to the hon. member that since this type of an amendment is an annual amendment, reflecting the provincial budget and the federal budget typically, we have an opportunity in the next iteration of this act. Those are worthy suggestions that I would be willing to take up on behalf of him and all Albertans when we have that discussion. I hear the hon. member, but I would commit that we would take a look at that when we look at these changes for next year.

Thank you.

**The Chair:** The hon. Member for Calgary-Varsity.

4:20

**Mr. Chase:** Thank you. As I previously indicated in second reading, I appreciate the fact that the Alberta provincial government is paralleling personal income tax exemptions with the federal government. That working together makes absolute sense.

Prior to the federal Conservatives forming government, the previous federal Liberals had proposed a variety of child care expense exemptions that would have enabled parents to make a choice of whether they were going to receive funding support for having their children attend daycare or preschool/after school care. This is an area that I would like to see the Alberta government pursue to a greater extent in consultation with the federal Conservatives but also given our enviable position economically. The idea of expanding the exemptions for child care would be very much appreciated.

Alberta recently stopped supporting children in care past school-age entry at age 6, and there are a number of parents who would like to see just that little bit of time before school and after school supported so that they could be full members of the workforce. So I would encourage the government and the mover of this bill, as we move further into the budgeting process, to consider having a made-in-Alberta child care expense provision in the form of tax exemptions to give parents the right of choice, whether, as I say, that may be in the home or in private, institutionalized care.

Thank you very much.

**The Chair:** Are there others? The hon. Member for Edmonton-Rutherford.

**Mr. R. Miller:** Thank you, Mr. Chairman. Just going back to the questions that I asked in second reading. I'm curious whether or not the mover of the bill may have an answer to this. I didn't hear him address it when he spoke initially today. That is the situation around the general antiavoidance rule and the retroactivity to 1988. I asked questions in second reading as to whether or not there may have been any cases where Alberta tax was owing. I think I indicated in second reading as well that I had answered my own question in terms of the period from 1988 up until the period 2005, when it appeared as if there weren't any, but I was wondering in second reading whether or not we had any examples of Alberta tax owing since 2005. I'm just wondering whether or not the member was able to determine an answer to that question.

**The Chair:** The hon. Member for Leduc-Beaumont-Devon.

**Mr. Rogers:** Thank you, Mr. Chairman. In answer to the Member for Edmonton-Rutherford, I was not able to ascertain any such situation.

Thank you.

**The Chair:** Are there others? The hon. Member for Calgary-Varsity.

**Mr. Chase:** Thank you. When it comes to care in general, people have put forward in consultation at my constituency office and when I've travelled the province the idea of assigning a value to an individual. In some cases that assigning a value is called a living wage. In other cases it's called a care allowance, as I've indicated before, whether it's a child, a disabled person, a senior under the care of a family. In drafting the Alberta Personal Income Tax Amendment Act, 2007, was any thought or research done in establishing the worth of an individual and, by extension, the worth in the form of an exemption to the person, family member, that provides that care?

**The Chair:** Are there others? The hon. Member for Edmonton-Rutherford.

**Mr. R. Miller:** Thank you, Mr. Chairman. My last comment, I believe, on Bill 35 in the committee stage, and that is just a disappointment that I have in regard to charitable contributions. I understand the changes here are going to make those tax credits somewhat more favourable for individuals making contributions to charities; however, in the calculations that I've done, I don't think we go as far yet as we do with the Alberta political tax credit. That's something that we've talked about in the past in the Official Opposition and raised in the Assembly, the need to give at least as much of a tax credit to individuals contributing to charities as we extend to individuals contributing to political campaigns and political parties. That's not happened here, and I am disappointed that we haven't gone that far.

It's still, unfortunately, more lucrative to donate to us as politicians and our political parties than it is to donate to charitable organizations, and that's something that I had hoped we would rectify with this bill. As the member said, we tend to have amendments to the Personal Income Tax Act every year, so I would implore the Finance minister and the department to make the necessary changes so that in the future we will be at least as generous with tax credits to individuals making donations to charitable organizations as we are to those that make donations to political parties and to politicians.

Thank you.

**The Chair:** Others? The hon. Member for Calgary-Elbow.

**Mr. Cheffins:** Thank you, Mr. Chairman. I'm trying to get up to speed on any number of things and trying to comment where I think it's valid. In this instance, as we're considering the Personal Income Tax Act considerations, Bill 35, I recognize that there are concerns that Albertans have around personal income taxes. I didn't hear specifically, directly about this during the campaign; however, I did hear concerns about the difficulties that families face, in particular with regard to, you know, health care premiums. I'm just curious as to whether or not the government in considering these things thought about the toll that health care premiums place on families and small businesses, and I'm just wondering whether or not those considerations were taken. Those are things that I did hear about recently, and I hope that those things are being given consideration.

Thank you.

**The Chair:** The hon. Member for Leduc-Beaumont-Devon.

**Mr. Rogers:** Well, thank you, Mr. Chairman. In answer to the hon.

Member for Calgary-Elbow, while I might suggest that health care premiums might be a great item for discussion, it was not something that was considered in this bill. I'm sure I look forward to your raising that again at some point in the future.

Thank you.

**The Chair:** Are you ready for the question on Bill 35, Alberta Personal Income Tax Amendment Act, 2007?

**Hon. Members:** Question.

[The clauses of Bill 35 agreed to]

[Title and preamble agreed to]

**The Chair:** Shall the bill be reported?

**Hon. Members:** Agreed.

**The Chair:** Opposed? Carried.

### Bill 36

#### Alberta Corporate Tax Amendment Act, 2007

**The Chair:** The hon. Member for Leduc-Beaumont-Devon.

**Mr. Rogers:** Thank you, Mr. Chairman. I'm pleased to once again speak to Bill 36, the Alberta Corporate Tax Amendment Act, 2007. I appreciate the comments made at second reading by several hon. members, and I'd like to take some time to address some of the comments and questions that were raised regarding Bill 36.

The hon. Member for Edmonton-Rutherford asked for clarification regarding the need for making small businesses wait through the taxation cycle for four years before they could realize the full benefit of the increase to the small-business threshold. The increases to the threshold as well as the reduction to the credit rate are phased in to give business time to adjust to the changes.

4:30

A question was also raised regarding the Alberta royalty tax credit, or ARTC, and how much revenue was lost by not having dealt with it earlier as well as how much the government is expecting to see as a result of the proposed changes. Mr. Chairman, the Alberta public accounts show the cost of the program in the 2007 and 2006 fiscal years as \$174 million and \$111 million respectively. With regard to how much the government is expecting to see, the cost of continuing to provide the credit has not been estimated for future years. However, the rate of credit provided under the program was a function of oil and gas prices and has been set at 25 per cent for both the years 2006 and 2007. Given current prices it would not be unreasonable to presume that future savings from the elimination of the program would be comparable to the program costs in '06 and '07.

The hon. Member for Edmonton-Rutherford also asked about the general antiavoidance rule, GAAR; specifically, why it has taken so long for Alberta to bring its legislation in line with the federal legislation and whether there will be attempts to collect retroactively. Mr. Chairman, the Alberta Corporate Tax Act currently parallels the provisions of the federal general antiavoidance rule, or GAAR. After a federally sponsored review of the provincial GAAR legislation in May of 2006, it was determined that a strict adoption of the federal provisions would preclude the application of GAAR to Alberta taxpayers where Alberta tax payable was reduced as a consequence of an avoidance transaction entered into primarily to

avoid federal tax. The proposed amendment ensures that Alberta will be able to reassess under GAAR even when the primary purpose of the transaction is not to avoid Alberta tax.

With regard to retroactive collection, Mr. Chairman, the government's intention is that Alberta should be able to reassess in the same circumstances as other jurisdictions. The proposed amendment, therefore, corrects a technical deficiency in the legislation. As the GAAR rules have been in place since 1988 and the government's intention to apply GAAR to avoidance transactions was clearly communicated to taxpayers, a retroactive effective date is appropriate.

Since 1999, Mr. Chairman, there have been examples of avoidance transactions specifically directed towards reducing provincial tax and sometimes avoiding it completely. Attempts to collect the appropriate amount of tax owing to Alberta from these taxpayers will be made to help ensure that all taxpayers – and I repeat: all taxpayers – pay their fair share.

Finally, the question was raised about moving to a single-factor approach and whether this would be an oversimplification of the rules, thus allowing for more loopholes. Mr. Chairman, taxable income is generally allocated among provinces in which the taxpayer has permanent establishments based on two factors associated with the permanent establishments: gross revenue and salaries and wages. In some cases taxpayers have gross revenue but not salaries and wages, as between their branches. In these circumstances the use of the general formula would allow only half of the income that should have been allocated to Alberta to be allocated to the province of Alberta. The proposed amendment will ensure that the appropriate amount of income is in fact allocated to Alberta. Of limited application, the amendment corrects a technical deficiency in the legislation.

As I mentioned before, Mr. Chairman, the Alberta Corporate Tax Amendment Act, 2007, provides additional assistance to small businesses, helps discourage tax avoidance schemes, and eliminates the ARTC, as announced by Alberta Energy.

Once again, Mr. Chairman, I thank all hon. members for their questions and comments and hope that I have provided sufficient clarification. I look forward to further debate. Thank you.

**The Chair:** The hon. Member for Edmonton-Rutherford.

**Mr. R. Miller:** Thank you, Mr. Chairman. My pleasure to rise and speak to Bill 36, the Alberta Corporate Tax Amendment Act, 2007, in the committee stage. I would like to thank the Member for Leduc-Beaumont-Devon for the clarification that he has provided to the questions that I asked in second reading. Indeed, they were thorough clarifications, and I do appreciate that, particularly with respect to my question about the single-factor approach and whether or not that might actually create a loophole. It would seem to me, based on the explanation we've just received, that in fact it's closing a loophole. I know that that was the intention, so I'm pleased to have that explanation.

In regard to the comment that the phasing-in is to give small business an opportunity to adjust, I can assure the hon. member that small business would relish the opportunity to have the full benefit of the higher threshold as soon as possible and not have to wait through the full four-year cycle to experience that benefit. Now, in fairness, they may not like to have the flip side of that coin, which is the increase in the dividend tax payable. I'm sure that, you know, they would like to have their cake and eat it too, but I guess I would suggest that if we would like to do something for small business, certainly a move we could have made is extend the increase of the threshold somewhat sooner. Certainly, in consultation with the

Canadian Federation of Independent Business that was their comment: "Why make us wait four years? Why not give that benefit to small business immediately?"

Then, Mr. Chairman, not to sound like a broken record, a question could be asked, and I guess I'm asking it. On the \$500,000 threshold for small business, once we get there in 2009, I believe it is, why would we not index that to inflation as well and once again extend that benefit to small business? We all know that small business is indeed a driving factor in Alberta's economy, and I think it would probably be something that would be very much appreciated and endorsed by small business, to index that threshold to inflation as well and give them the same benefit that we just discussed giving to individuals when we were talking about Bill 35, the Alberta Personal Income Tax Amendment Act, 2007. That would be a question, I suppose, for the mover: whether or not the department has contemplated indexing the small-business threshold once we reach the full amount of \$500,000.

Clearly, if one were to look at the economy as it is currently, with inflation running in this province somewhere between 5 and 7 per cent, over a four-year cycle we've chewed into an awful lot of that \$100,000 increase in the threshold that we're giving them. I'm not sure that we're doing anything on the flip side with the dividend tax to make up for that, so that would be something that I know those small-business owners that I talk to would be interested in hearing, and I'm sure the Canadian Federation of Independent Business would also be curious to know the answer to that and perhaps the Canadian Taxpayers Federation as well.

I'll leave it up to the mover of the bill to respond to those questions and concerns. Thank you.

**The Chair:** The hon. Member for Leduc-Beaumont-Devon.

**Mr. Rogers:** Thank you, Mr. Chairman, and I want to thank the Member for Edmonton-Rutherford for his comments and his thoughts. As he spoke, I looked up in the gallery, and I saw the executive director of the Alberta Chambers of Commerce nodding his approval. I would agree with the hon. member that this is an idea certainly worth studying and something that I will take up with the Minister of Finance.

Thank you.

**The Chair:** The hon. Member for Edmonton-Beverly-Clareview.

**Mr. Martin:** Thank you, Mr. Chairman. We certainly support the bill. I'm more interested in the reviewing of the Alberta royalty tax credit and what that means in terms of dollars. Now, it's my understanding that the Auditor General's report in 2003-2004 recommended that this be revisited, and I guess we've gotten around to it finally now. I'm trying to get some idea about how much money we perhaps lost to the treasury during that period of time up to the present.

**Mr. MacDonald:** Seven point one billion dollars over 25 years.

**Mr. Martin:** Thank you, hon. member.

The other point that I want to make is simply: why was it that the Auditor General brought this forward in 2003-2004, and what was the problem to the time that we're bringing it up now? The reason I ask this is because there are probably a number of different recommendations that could end up costing the taxpayers a fair amount of money, Mr. Chairman. It's important that when we find loopholes – and I think the member would agree with me – we try to deal with this as quickly as possible. One can only wonder if there

are some other tax avoidance issues that we don't know about or how quickly we can deal with them.

4:40

As I say, there was no point in having this particular loophole. Certainly, we should have known that in 2003-2004. I guess we should have known it before then. Even if the figures were from 2003-2004, can the member tell us exactly how much money that was and how much it might mean on a yearly basis now? There are various figures from the press releases that seem to contradict it, Mr. Chairman.

Thank you.

**The Chair:** The hon. Member for Leduc-Beaumont-Devon.

**Mr. Rogers:** Well, thank you, Mr. Chairman, and I want to thank the Member for Edmonton-Beverly-Clareview for his comments. With regard to potential lost revenue, I mean, at this point, hon. member, we can only speculate because, as you know, it depends on whether a certain policy was implemented or not and what that would have meant in terms of collections.

In terms of the delay, well, I can't speak for previous members of this Assembly. You've been here some time before me and at different times. I would only say that at this point we have realized that this is something that's timely. To agree with you, hon. member, it's overdue. We're moving forward, and I'm glad that we're here. I don't have any exact numbers for you in terms of what it could have meant, but the fact is that we have realized now that it's time to do this, time to move forward, and I'm glad that we're doing it.

Thank you.

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

**Mr. MacDonald:** Thank you very much, Mr. Chairman. I, too, have questions at this time regarding Bill 36. Certainly, to the hon. Member for Leduc-Beaumont-Devon, my questions are around the tax revenue and the corporate income tax revenue that's anticipated for 2007-08. I'll just use that as an example. It's over \$3 billion: \$3.1 billion. The previous fiscal year I believe it was \$2.9 billion. When this legislation was drafted, what considerations were made to the energy trust sector? Certainly, I'm going through this, and I'm very curious in light of the fact that in October of 2006 there was a fundamental change in how energy trusts were to be administered or not to be administered. I would like to know the implications for the energy trusts. What are the implications for them regarding the amendments here that we are discussing with Bill 36? If I could have a breakdown, please – if he has one, I would appreciate it – of what percentage of the corporate income tax in Alberta is being paid by the energy income trust sector, not only in 2007-08 but also what it was in the year 2006-07. I would be grateful if the hon. member could provide that information.

Thank you, Mr. Chairman.

**The Chair:** The hon. Member for Leduc-Beaumont-Devon.

**Mr. Rogers:** Well, thank you, Mr. Chairman. To the hon. Member for Edmonton-Gold Bar, again, I thank you for your comments. You're looking for some specific numbers that, unfortunately, I don't have at my fingertips, hon. member. I recognize your point in terms of the changes that were recently made that impacted the energy trust sector. The only commitment that I can make to you is that these changes that are being proposed will be consistent across the board, and, yes, they probably will have a little different impact

on the energy trust sector because of, I guess, the unique nature of that sector of our economy. But these amendments are intended to be applied across the board, and that's the best answer that I could give you, hon. member.

Thank you very much.

**The Chair:** The hon. Member for Calgary-Varsity.

**Mr. Chase:** Thank you very much, Mr. Chair. I'd like to thank the Member for Leduc-Beaumont-Devon for the detailed answers to questions, which honours the legitimate concerns raised by opposition members representing their constituents' concerns over Bill 36, the Alberta Corporate Tax Amendment Act, 2007. That recognition and the co-operation that has been demonstrated through second reading and now into Committee of the Whole are very much appreciated.

I also appreciate the member's explanation about the need for a phase-in period for this legislation to be enacted. There has been a great deal of discussion associated with the ramifications of following through on a federal government promise to first reduce the GST a single per cent to 6 per cent and then with the follow-up promise to reduce it a further per cent so that it is now 5 per cent. What has happened for a number of small-business owners is the question of whether the time for implementation – such as recalibrating cash registers, new tax filing programs, following the rules, the exemptions, and so on – was more of a headache than a financial improvement. This was more the case with the small individuals who primarily did their own bookkeeping within their family circumstance. But the debate as to where this revenue best fits is always going to be coming up for discussion.

On a recent *Cross Country Checkup* this question of the recalibration was brought forward. Some people would argue that the GST provided the federal government with a stable, relatively predictable source of funding that they could then apply to public programs that benefited the nation. Of course, the counterargument was: what does the government know about the needs of individuals? The money is best left in their pockets for them to add to the economy, to direct as they see fit. So that discussion of the appropriate ways of reducing taxes remains a topic of hot debate and concern as to what the role of a government is. We all know about what happened in the States with the Boston Tea Party, when people felt that there was taxation without representation.

Fortunately, with Bill 36 the intent is to give small-business owners a break, and that's a break that's also recognized by the federal government in paralleling this legislation. For a brief opportunity in historical time we have the alignment of two Conservative governments, a federal government in Ottawa and a government that has occupied the majority in this Legislature for the past 36 years. So my challenge is, given this very brief alignment of the planets, to push the federal government with the exemptions that the province is providing; in other words, instead of just aligning ourselves with already existing federal corporate tax legislation, be prepared to go further and institute a direction that will support all Albertans while still recognizing that revenue through taxation, whether it's property tax that's collected in the name of education, which should show up on education budgets, particularly when we have an inflation rate approaching 6.4 per cent and the money provided to the education is just barely over 3 per cent – likewise, let us be bold, and the money that is collected currently and, we would suggest, unfairly for health premiums be actually put towards health.

4:50

What I am challenging the provincial government to do is go beyond the status quo, strike out in a bold direction that recognizes

that tax that is collected in the name of education and health care actually goes to those areas. Show to the federal government that Alberta is not only a tax-friendly province but cares for the well-being of the public programs for its constituents. We have an opportunity in Alberta, by collecting the proper amount of taxes, whether they be in the form of royalties, whether they be in the form of property taxes, to make the quality of life in Alberta something that goes beyond just per capita averages and actually filters down to rents, to food, to support of Alberta's most vulnerable.

I challenge the government to go beyond Bill 36, the Alberta Corporate Tax Amendment Act, and take a serious look at taxes that have been collected in the name of property, that have been collected in the name of health but, unfortunately, bear no resemblance to either area.

Thank you very much.

**The Chair:** The hon. Member for Leduc-Beaumont-Devon.

**Mr. Rogers:** Thank you, Mr. Chairman. I want to thank the Member for Calgary-Varsity for his comments, and I also thank him for his compliments at the beginning of his words. He touched on a number of things that I think were more policy than specifics to the piece of legislation, and I would suggest that what is consistent in this legislation is that Alberta continues to make sure that we collect a fair and reasonable tax burden while maintaining a competitive advantage, the most competitive tax regime across this country.

Furthermore, I'm quite pleased to hear the hon. member encourage us to work with our federal counterparts to reduce what has been traditionally a very high federal tax burden under previous Liberal governments. I'm pleased to hear that he's supporting what I believe is the type of direction that we've seen in Alberta for many years, that we also want to continue to see at the federal level.

The member also mentioned, Mr. Chairman, that he would like to see health care premiums going towards health. I'd like to remind the hon. member that the health care premiums that we collect plus some \$10 billion plus go towards the provision of one of the best health care systems in this country.

Hon. member, I think we're on the same page, and I thank you for those comments.

**The Chair:** The hon. Member for Edmonton-Beverly-Clareview.

**Mr. Martin:** Well, thank you, Mr. Chairman. Just to come back, looking at some of the news releases to follow up on my previous questions. A news release from September 21 from the minister at the time said that "the elimination of the ARTC based on 2005-06 figures would increase revenues . . . to the province by a further \$111 million." There's another one on April 6 that says \$113 million, but they're in the ballpark. So I take it that that's roughly the amount of money that we're looking at on a per yearly basis. I don't know how far this goes back, to be honest, you know, when ARTC was irrelevant or invalid, but certainly the Auditor General said in 2003 – I know it's not this member's fault, but I'm making a point here so that we move on these things faster. That's roughly, if I'm correct – probably it wouldn't be \$111 million; it might be slightly less – around \$300 million that could have been in the Alberta treasury, and that's a significant amount of cash.

I think we have to have some mechanism within the Department of Energy or others to see that these things – and how far back before the Auditor General? Who knows? I'm not going to ask the minister that. The point I'm making is that that's a significant amount of cash. I'm glad we're dealing with it now. I hope the message to the Department of Energy and any others that we're

missing on these sorts of things is that this is expensive. That \$300 million can do a lot of different things for the province is the point that I would make.

The member alluded to the retroactive part of that, but that's not really much of a retroactivity. It just goes back to January 1 of this year, if I'm correct, and it's still in the same tax year. Am I correct about that? The release that I saw on September 21 – correct me if I'm wrong – says: "The decision follows a review and consultation with industry and stakeholders. It requires a legislative change that will be retroactive to the beginning of 2007." So we're really just looking at this year for the retroactivity. Am I correct about that? If not, then maybe the press release is wrong, and there have been changes. So I'd just like clarification on that, Mr. Chairman.

**The Chair:** The hon. Member for Leduc-Beaumont-Devon.

**Mr. Rogers:** Thank you, Mr. Chairman. To the hon. Member for Edmonton-Beverly-Clareview, I don't believe that we're limited to the beginning of the year. The point I do want to make, though, is clearly that the retroactivity that's being proposed here is intended to be consistent with the rest of the country. So whatever is typical across the country in terms of retroactivity, that is exactly what we will be reflecting in the changes as proposed by this bill. We will catch up, in effect, with the rest of the country.

Thank you.

**Mr. Martin:** I'd like some clarification before third reading on that because this was a release from the Department of Energy at the time. I think that's an important consideration because it requires a legislative change – maybe I'm missing something in here – that will be retroactive to the beginning of 2007. So maybe there's been a change. You don't have to answer now. Maybe I have time to take a look at it before third reading.

Thanks.

**The Chair:** Are there others?

Are you ready for the question on Bill 36, Alberta Corporate Tax Amendment Act, 2007?

**Hon. Members:** Question.

[The clauses of Bill 36 agreed to]

[Title and preamble agreed to]

**The Chair:** Shall the bill be reported?

**Hon. Members:** Agreed.

**The Chair:** Opposed? Carried.

#### **Bill 24 Real Estate Amendment Act, 2007**

[Adjourned debate November 8: Mr. Rogers]

**The Chair:** Are there any comments, questions, or amendments to be offered with respect to this bill? The hon. Member for Leduc-Beaumont-Devon.

**Mr. Rogers:** Thank you, Mr. Chairman. Just looking forward to further exploring the options in this bill in committee, looking forward to further discussion in committee.

Thank you.

**The Chair:** The hon. Member for Edmonton-Ellerslie.

**Mr. Agnihotri:** Thank you, Mr. Chairman. I'm pleased to rise again and speak to Bill 24, Real Estate Amendment Act, 2007, at Committee of the Whole stage. In December 2005 a committee made up of government, lenders, law enforcement, and real estate industry put forward eight recommendations to government regarding mortgage fraud. Number one, the government of Alberta participate in a mortgage fraud prevention committee to encourage communication, develop best practices, and improve training for workers in the mortgage and real estate industry. Number two, declare mortgage fraud a government priority and establish specialized mortgage fraud investigation and prosecution units. Number three, quantify the financial impact of mortgage fraud in Alberta. Four, amend the Real Estate Act to ensure that the Real Estate Council of Alberta has the necessary investigative powers and the ability to share personal information about mortgage fraud perpetrators. Number five, review privacy legislation and suggest amendments to facilitate sharing of personal information related to mortgage fraud between law enforcement and investigating agencies. Six, raise public awareness of the criminal nature of mortgage fraud. Seven, amend Alberta's Law of Property Act to allow lenders to sue on the covenant except on farmland and owner-occupied residential property. Number eight, review whether the land titles office should send notices to the lenders, property owners when there is a suspected incident of mortgage fraud or fraudulent transfer of title.

5:00

Bills 12 and 13 in 2006 also made some steps to address mortgage fraud concerns. My question is why we failed to implement all those recommendations. If not all eight of those recommendations, how many recommendations have been implemented so far? Why do we keep on introducing bills again and again and again? This time I request that the members consider this very seriously, make sure that when we make an amendment on this bill, it should be effective for all the people in Alberta.

I have a few other questions to ask the hon. member who sponsored this bill. Does this government have figures on the impact and size of mortgage fraud in Alberta? How many mortgage brokers are blacklisted? How much money is involved? What else needs to be done to combat mortgage fraud based on the 2005 committee recommendations, those eight points I mentioned?

So far bills 12 and 13 in 2006 and now Bill 24. What else? What else do we need? Who has the government consulted, like stakeholders, and on this bill what were their concerns? What were they asking for? Were their concerns adequately addressed? I know some stakeholders. I'm sure the hon. member knows about the Real Estate Council of Alberta, the Alberta Real Estate Association, and consumers' groups. What do those who suffer at the hands of mortgage fraud, the most important groups, think about this bill?

If we really, really want to strengthen this industry, I think we should protect the consumers first. Create consumer confidence and trust, trust not only in those in the real estate practice who are licensed realtors but those people who don't have a license, those people who are working in this industry. It's very important – and the hon. member knows about this – especially the commercial real estate. I don't know whether they are immersed in this industry or not. Commercial real estate is involved on a big scale, tons of money. Some, not all, of the real estate people are making deals under the table. How can we enforce that? If we don't follow the recommendations of the RECA in the last, say, five, seven years, after passing this bill, how can we guarantee that we could be able to help those people who are suffering because of this bad practice in this industry?

Public awareness, you know, is very important just to create consumer confidence and trust in this industry. We must promote the integrity of this industry. We should especially have more improvement on the educational side. We should especially educate the professionals working in this industry.

We must have an effective investigation system. Not only an investigation system, but we must have a detective system, how we can detect what's going on in this industry. So far my personal experience is that when we talk to the RECA or any other associations in this field, they always talk about ethics, but they say: we don't have the powers. If they don't have the powers, why do we keep on making laws, one after another? We must do something which has an effect on the industry, which gives some more powers to RECA or any others.

Even the committee I discussed that was made in 2005 that some government people were involved in, I'm definitely sure Official Opposition parties were not involved in that. You guys can't at least criticize the Official Opposition on this matter. I would suggest that, I mean, if this government really thinks they are accountable, they are transparent – and now recently the Premier has announced that some members from the opposition are involved in some other committees – how come Official Opposition parties are not involved in decision-making in this industry? They should know. The public should know. In all industries the government, if they are accountable, should talk openly. I think this could be the best thing for Albertans.

If we could have a detective system to detect realtors, to detect the appraisers, to detect the lenders, especially the mortgage, that I mentioned, the assumable mortgage. This is very important in dealing with fraud of any kind. I am not only talking about real estate. If we don't have a proper investigation system, if we don't have the interrogation or detective system, we cannot succeed.

So please make a note and if possible try to – when we say that the committee is made of the government, other parties should be involved, and they should know what is going on in this particular industry because it's not a small industry. It's a big industry. You know, representation from all parties is very, very important.

One more thing that I want to say: after the investigation or interrogation, whether it's the realtors or the brokers or the lenders, once they are caught, they must be severely punished. They must be – I repeat – must be severely punished. If the penalty is not enough, and if needed, if the lender or any other professional keeps on doing the blunder again and again, I'm sorry to say that that person, he or she, should be in jail. They should be in jail.

5:10

Now I move to sections 3(a)(ii) and 3(b)(i), (ii), and (iii). All add in “subject to the regulations,” which invests more power in the hands of the cabinet and orders in council. Why? Why can't these sections be solidified in the legislation? Why? This is something that happens too often with this government: moving issues out of legislation and into regulations. I'm again talking about the regulations.

Next, section 4(a)(i) cuts sections that allow various national, provincial, and local organizations to pick between them and two members of the Real Estate Council of Alberta. Why are these institutions being cut out of the council selection process? What did they have to say about this?

Section 5(c), again shifting to the regulation powers, is no longer specifically prescribing the limit of a penalty. Why? How much is the minister intending the penalty to be?

Section 7. Why is the bill getting rid of this ban on industry members soliciting, accepting, or receiving money from their clients

except in the usual course of business? Why was the clause problematic?

Section 9. This section includes much more than it previously did. It has gone from land sales only to all business transactions. Why?

Section 11(a)(i). More use of regulation rather than an explicit time period. Why don't you tell us here in this Legislature about the regulation in detail? I mentioned it before. It's very important. Instead, we recommend something and then go back to the RECA. We are the elected body. I mean, all the regulations that we are going to recommend to the RECA we should discuss here in this Assembly because it's very important. If the government really believes in transparency, if the government really believes in accountability, we should discuss everything here.

Now I move to section 15(4)(b). This requires people being questioned in an investigation to answer even if that answer is self-incriminating. It does, however, prevent it from being used against them in any civil proceedings or in prosecution under any acts. This language can be found in a few other bills in Canada.

Mr. Chairman, this is a very serious thing that we have been through many times before, as I mentioned: in Bill 12, Bill 13, and now Bill 24. Why are we wasting time? I mean, the bill is in front of us today, and before we pass this bill, I want to make sure that this act is able to strengthen an entity. You name anything.

Also, I'm suggesting the participation of the opposition members whenever there is a discussion about amendment of the real estate laws. It's very important because we are directly involved with the public. Even politics start with the public and finish with the public. Same thing, real estate people or the lenders and the appraisers. They are dealing with people. When we are dealing with people, we should be very cautious. We should be careful because, you know, a huge amount of money is involved.

That's all I have to say, Mr. Chairman. Thank you very much.

**The Chair:** The hon. Member for Leduc-Beaumont-Devon.

**Mr. Rogers:** Well, thank you, Mr. Chairman. I want to thank the hon. Member for Edmonton-Ellerslie for his comments. Certainly, with his background he's got a lot of knowledge in this industry. I think his comment are very relevant to this bill. I'm going to apologize to the member ahead of time. I tried my best to take some notes, hon. member, as you spoke. I don't know if I'm going to capture everything that you raised, but I think I can speak in general to the bill, as you know, from my knowledge of the industry as well.

Let me say right off the bat that I think it's a philosophical discussion as to whether regulations – because regulations are done outside this Chamber, you suggest that we probably should get into more detail in the bill. Well, the complexity of this I think makes that unrealistic. But that's a philosophical discussion for another day. I just wanted to acknowledge that.

Going back to the discussion in second reading, I believe that it was probably yourself that mentioned the need to have a stronger enforcement mechanism to keep out unscrupulous members of the industry, more power to go after bad appraisers. I think this change will not only get the bad appraisers; it's going to get the bad mortgage brokers, the property managers. As you know, all of these industry members are part of RECA.

Later on in your comments, hon. member, you talked about wanting the opposition members or government members to be more involved. The reality is that our involvement as legislators, be it as opposition or government, is right here. This is our opportunity to make sure that to the best of our ability the bill captures what we need to provide that confidence to the consumer. At the end of the day this is about the consumer.

In one of your questions you asked about the impact, the size of the fraud. How many dollars? How many brokers? Hon. member, I've got to tell you that one is too much. One is too much. In my time in the business, in 12 and a half years – I suspect you've got as many or more years in the business – I've seen many, and I can tell you that each one was traumatic for the people involved. They were caught up by very unscrupulous people, very selfish people that masquerade as professional industry members, but, frankly, they're crooks. I can't think of another word to use for them. I hope, Mr. Chairman, that's not unparliamentary language because that's how I feel about these people. I believe that one person taken advantage of is too much.

Anything that we do through this bill to strengthen the power of RECA – let me remind the members present that RECA, the Real Estate Council of Alberta, is a self-regulating body that was created under the legislation in 1996. It's made up of industry members, people from the different segments of the industry. Under the legislation they have the ability to regulate the members: who can become a member, what courses they have to take. You're well aware of the 18 credits that people have to take to maintain their licences. One of the key courses in that is one that has to do with conflict of interest and integrity.

You also mentioned, hon. member, about the ability to regulate other people that are web based or – I hate to label a particular company – the commissions that operate outside of the real estate market. As you know, hon. member, the definition of trading in real estate under these provisions specifically relates to trading in real estate. I would say to you that maybe that's something that should be brought before this Legislature. There are individuals that are operating in this business that, because they don't technically trade in real estate, are able to operate outside of this legislation. That's where you find some of these web-based companies.

Frankly, I don't like them any more than you do, but I think we need to find another mechanism where we can regulate these individuals who are operating on the periphery of this industry, because that's what they're doing. They're not technically trading in real estate, so they don't fall under the provisions of this act. I think the potential is just as good for consumers to be harmed by those individuals as it is by people who operate under the umbrella of the profession.

5:20

So I would say to people like yourself, hon. member, and me, who have knowledge of this industry, and others – I'm sure all hon. members in here want to protect the consumer – that we would seek to bring something before this House, or if it's something that has to be done federally, that we would work with our federal counterparts to make sure that these provisions are brought forward that will ultimately provide that protection that we want for the consumer.

One of the questions that was asked by yourself, hon. member, and others is: who was consulted? I want to tell you that we have a stakeholder list of some almost 50 organizations in the real estate industry that were consulted. You asked about appraisers, for example. The Appraisal Institute of Canada, Canada Mortgage and Housing Corporation, the law society of Canada, the Real Estate Institute of Canada, the National Home Warranty Program, the Calgary Apartment Association, the Red Deer Landlord and Tenants Board, the Canadian Life and Health Insurance Association, the Alberta Business Brokers Association, building owners and managers, the people that manage the apartment buildings: we consulted some approximately 50 organizations involved in the trading of real estate, hon. member. I can assure you that to the best of our ability we left no stone unturned in really trying to get the input of everyone involved in this industry.

Is this piece of legislation perfect? Probably not. But I can tell you it goes a long way to getting that protection that we want for the consumer, strengthening the ability of RECA to do investigations, requiring criminal background checks to make sure that crooks stay out of this industry, allowing RECA to take copies of documents when they come in to do an investigation, reducing the amount of time and notification that have to be given so that, again, these crooks don't hide the evidence. I think this piece of legislation, hon. member, goes a very long way to providing that protection for the consumer that we all desire. I'm sure that at some point, when we find the need, maybe we can improve it again. But I think this goes a long way, and I would encourage you and all hon. members to support this piece of legislation.

Thank you.

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

**Mr. MacDonald:** Thank you very much, Mr. Chairman. Certainly, I've been listening with interest to the discussion in committee this afternoon on Bill 24. I listened with interest to the hon. Member for Edmonton-Ellerslie and the hon. Member for Leduc-Beaumont-Devon regarding this bill. I agree with the principle of the legislation. Certainly, whenever we think of any measure that works to combat mortgage fraud more effectively, I think it's worthy of merit.

We are discussing this bill at the same time as we have a subprime mortgage crisis in our neighbour to the south. In certain geographical areas of America, whether it's California, Arizona, parts of Florida, there is significant angst among consumers. When we look at what our neighbours are going through, we cannot afford not to have a very strong oversight measure and also the will to enforce that measure. Certainly, both hon. members indicated when they were speaking that they were quite willing and anxious to get tough if necessary on any violations. I couldn't agree with that more. One only has to look at the composition of this Assembly, Mr. Chairman. Not this term but in the last term, certainly, there was a former member for whatever reason – the reasons are still mysterious – who had to resign their seat here. We can never take any of these incidences too lightly.

I have, as do so many Albertans, a lot of reservations about allowing the minister or the minister at the time to make regulations without any debate in this Legislative Assembly. Now, as I understand this, we are giving the minister the power to change how the law is applied when it is necessary through orders in council. I'll use two examples, Mr. Chairman, to raise a caution about this being subject to regulations, which would allow more power, again, in the hands of cabinet and the orders in council.

Let's go back 11 years, back to 1996, when Syncrude and Suncor were given the right, the one-time right, to change from paying royalties to this province on synthetic crude oil production to a bitumen royalty, which is significantly less. That issue was never discussed before this Assembly. Surely, it was discussed at the cabinet table. I will never be allowed to see those discussions or read about those discussions, of course. But that's an example of one matter that was done before cabinet, behind closed doors, which now we are paying a significant price for. Certainly, the Hunter report talks that this could be in the hundreds of millions of dollars a year in concessions to those two oil sands producers.

That was done at the cabinet, behind closed doors, and that was a regulation that was just conveniently filed in the Leg. Library. Eleven years later it's a major problem for this government. I understand there are negotiations going on now on how to level the playing field. So much of the royalty suggestion – I shouldn't call it the suggestion – the royalty compromise that was made by this

government depends upon the negotiations with Syncrude and Suncor over that regulation. Suncor, for instance, was to receive \$150 million in historical costs over that period of time, whatever that means.

**An Hon. Member:** Relevance?

**Mr. MacDonald:** I can hear an hon. member talking about relevance, but I would remind the hon. members – all members, Mr. Chairman – that we are in committee, and that is one of two examples that I want to bring up as to why we should be very leery about giving another statute the authority to allow this government to continue to rule by regulation and not by being open and transparent and having full debates in this Legislative Assembly.

Now, that was one example. The second example – and the Minister of Energy will be really excited to hear about this, Mr. Chairman – is an example of the same sort of rule by regulation that is being proposed in this Bill 46, which we haven't had a chance to debate yet. Hopefully, we'll get to that, if not this week, next week. Not only is this Bill 24 going to be subject to regulations, but look at what we're doing with Bill 46. We're having a regulation-overriding statute, which is totally undemocratic.

So I have a lot of questions – a lot of questions – about why we would be providing cabinet with yet another opportunity to rule by regulation. That's one reason why I'm very cautious about supporting this bill.

5:30

Of course, the hon. Member for Leduc-Beaumont-Devon talked about the Real Estate Council of Alberta and the fact that this is a council that is self-regulating. Now, again, whenever we look at some of the chaos and the confusion that consumers are facing in America and some of the financial losses that are being posted on a weekly basis by major banks, by mortgage companies, by brokers over that subprime issue, I'm not so certain that self-regulation is the way to go.

Now, it's interesting. Our research indicates, Mr. Chairman, that Alberta is one of the only jurisdictions in North America with full self-regulation of the real estate industry, fully funded by industry members. In most other provinces and the states responsibility is either shared with government through coregulation or entirely the government's concern. The hon. member would have to prove to me that in this period of 11 years, or since the time of July 1, 1996, we are better off with self-regulation of the real estate industry.

The hon. member – and I really appreciate his time and his interest and his willingness to answer questions – in response to the hon. Member for Edmonton-Ellerslie gave a long list of those who had been consulted regarding this draft or this bill, but I would like to know if the Consumers' Association of Alberta or the Consumers' Association of Canada is one of the 50 members on his list. I certainly hope they were consulted.

I would like to go a little bit further with this, Mr. Chairman. As part of the Real Estate Council of Alberta – I understand the number one goal is to protect consumers through licensing requirements, effective investigation of complaints, disciplinary proceedings, and administration of the assurance fund – what consideration, if any, has there been of putting a representative of the Consumers' Association on that council? I understand there are a dozen representatives on that council. Yes, it's composed of 12 members representing residential and commercial real estate, property management, mortgage brokers, real estate appraisers, and the public, but are any of those 12 members of the Real Estate Council of Alberta from any recognized consumer groups? If I could have an answer to those questions, I would be very grateful.

Again, I would urge all hon. members of this Assembly to please be very cautious. Let's think of the big bill we're going to face here with Syncrude and Suncor. Let's look at the implications of Bill 46. If we look at those, I don't think we should be giving more power to the cabinet to rule by regulation and not through open, transparent debate on the floor of this Assembly.

Thank you.

**The Chair:** The hon. Member for Leduc-Beaumont-Devon.

**Mr. Rogers:** Well, thank you, Mr. Chairman. In response to the hon. Member for Edmonton-Gold Bar I just want to make it perfectly clear that the Consumers' Association of Canada, Alberta branch, was consulted in that list of 50.

Also, Mr. Chairman, the makeup of RECA. It doesn't specify that this individual is a member of any consumers organization, but there are 10 industry members and one public member at large. One of the 12 members appointed must not be an industry member, so someone that is not connected with the trade of real estate at all. Of course, the terminology of the trade is everything from the mortgage industry, the appraisals, the property managers, realtors, someone that is not connected with the trade of real estate at all. Although that individual, I would admit, is not specified to be a member of a consumer association, they very well could be. A member of the general public outside of the industry could very well be anyone.

The other point, Mr. Chairman, raised by the hon. member. I would submit to you that the consumer is better off today because of the self-regulating nature of this industry. Again, unfortunately, one or two bad apples give this industry a very bad name. There are some extremely highly qualified, highly ethical, professional people in this business at all levels, be they on the real estate side, the mortgage side, the appraisal side. There are some very, very credible individuals, and frankly it really saddens me that these individuals are being tarred with the brush of these one or two bad apples. That is why I think it's so important that we strengthen this legislation, strengthen the regulation that gives RECA, this body – it is in their interest to keep up the good name, the quality of their industry, and they work very hard.

The other thing you mentioned, hon. member. Of course, it is self-regulating, but it's self-regulating that has to fall under this legislation, so we do have the opportunity in this Legislature to beef up or change or modify the legislation. This body, RECA, and what it does only survives based on what piece of legislation we put forward in this House. So, hon. member, I would suggest to you that if you feel that we need to do more at some point in the future, we bring that change here and we beef up this legislation and we continue to provide that support to the public that they need.

The other thing you mentioned is the subprime crisis. I would say to you that even though we don't have that kind of crisis in Canada right now, the reality is that when you have a business climate where people are willing to lend money beyond the values that they should – frankly, these are stupid business decisions, be they in the States or here. I can't understand why these people are crying now because if they were dumb enough to lend money to people who couldn't afford to pay it back, I think they deserve everything they get.

Thank you, Mr. Chairman.

**The Chair:** The hon. Member for Edmonton-Beverly-Clareview.

**Mr. Martin:** Well, thank you, Mr. Chairman. The Member for Leduc-Beaumont-Devon alluded to it. I mean, apparently we're bringing this bill in because of the possibility of previous mortgage fraud, and he said that there were perhaps one or two bad apples. I

doubt that that would cause us to have this bill brought before the House. I guess the question I have is: how serious a problem is it? How many cases are we aware of that have come forward through the real estate board?

I want to go into the self-regulating part of it. I have no great objection, you know, to people self-regulating, but it's interesting that we're going to be debating a bill here tomorrow, the Health Statutes Amendment Act, 2007, where we seem to be moving into the territory of professionals like doctors and nurses and that, and here we have a bill dealing with real estate, where we're moving in the other direction. So I think there's a contradiction there.

You know, I wonder about the self-regulation. How can you control this? The figure I've seen – I think it came from RECA – is that there is something like 14,943 real estate mortgage brokers and appraisal industry members, almost 15,000, in the province. Now, that's a lot of people to self-regulate, and I think that we really are counting on the self-regulation here to be able to do that. When you deal with other professionals where we have self-governance, they don't nearly have those sorts of members, and of course they're trained. The amended act makes a criminal record check a prerequisite – I thought that would have happened before; it seems to be a no-brainer – for a real estate agent, mortgage broker, or appraiser.

5:40

Correct me if I'm wrong, but it seems to me that the whole thrust of this – you know, it says: clarifies and modernizes the terms and all the rest of it – is that we're giving the self-regulators more power to try to get to what he calls the bad apples. I'd say that that's a major job. I think that if mortgage fraud is serious enough that we're bringing forward a bill because we're concerned about it – I'm not sure what the answer is, but I don't think that this solves the problems necessarily.

You know, we can talk about: there is more potential for abuse. We were alluding to subprime, but we've got even CMHC saying that you can have 100 per cent mortgages. That is the way of the future, that there are going to be more sales out there, probably people getting in over – when CMHC says that it's okay, there are going to be a lot of people involved in it.

I don't think this is going to do any harm and certainly not, you know, enough that I wouldn't support the bill, but I really do think that with the self-regulation in those sorts of numbers with a growing market, we're kidding ourselves if we don't think that even with this bill there's a potential still there in a very dramatic way. Perhaps we need stiffer laws. I don't know. That's something we could take a look at.

Thank you.

**The Chair:** The hon. Member for Leduc-Beaumont-Devon.

**Mr. Rogers:** Thank you, Mr. Chairman. To the Member for Edmonton-Beverly-Clareview, I think there are aspects of these changes that will make it easier to curtail mortgage fraud, but that is not the only intent of this bill. The self-regulating and tidying it up: it's been 10 years. We have looked at the whole industry over that 10 years plus, and we've looked at what has worked very well, what needs some adjustment. Part of that, underlying that, is, number one, first and foremost, protecting consumer confidence, protecting consumers. So while there are some tools that this gives to RECA, the council, to protect the consumer, the bottom line at the end of the day, hon. member, is to clean it up, to fine-tune the mechanism that was put in place in 1996 to ensure that even before we get to problems, we have the kind of mechanism that will provide the kind of confidence that we would all want. At one point or another even

we in here are consumers in this industry. So it really is intended to create a good environment for consumer confidence.

Thank you.

**The Chair:** The hon. Member for Calgary-Varsity.

**Mr. Chase:** Thank you very much. I'd like to again thank the Member for Leduc-Beaumont-Devon for shouldering so much of the responsibility for bill debate today. I'd also like to recognize the member's professionalism and that of my colleague from Edmonton-Ellerslie. What the House has been treated to today is a terrific in-service on real estate and the cautions associated with the real estate industry that Bill 24, the Real Estate Amendment Act, 2007, attempts to accomplish through further eliminating the possibility of fraud.

I have a concern that has been raised by the Member for Edmonton-Gold Bar with regard to the idea of regulation trumping legislation. We have been elected by our constituents to do due diligence to demonstrate the intelligence and integrity necessary to make decisions on their behalf, and that is how the Legislature is set up, so that those discussions can take place. If we simply give over the people's rights to a behind-closed-doors cabinet regulation as opposed to the little airing opportunity we have in debate, then we are basically neglecting our duty and saying that the state in its wisdom should just manage people's lives, including the lives of the members of the opposition. It has been noted by the Member for Edmonton-Ellerslie that this type of expertise to which we have been treated today should be sitting beside each other in committee in preparation for legislation and bills like this, which would then eliminate the need for the types of discussion that we're having here today.

It's a concern to me that there is a grim reality in this province that Bill 24 doesn't address. That grim reality is that Bill 24, Real Estate Amendment Act, talks about eliminating fraudulent mortgage processes, but inflation, cost of living, a desire expressed by the Premier to not touch the brakes on the economy, together with a lack of government legislation or regulation prevent people from obtaining the very mortgages that Bill 24 attempts to protect. There is a growing reality that owning a home and qualifying for a mortgage in this province is becoming more and more difficult. With no legislation other than the legislation to landlords that they can only raise their rent once, with no limitation on the extent of that raise, individuals who are in the position of wanting to rent or rent to own cannot put away the amount necessary to qualify for a mortgage.

Without legislation that requires condominium conversions to occur with sufficient notification to tenants, what we have is an end run whereby simply by raising the rents, you can drive those tenants out of the future condominium; therefore, no notification of the change from a rental accommodation to a condominium is necessary. That's the grim reality in this province. Unless we look at even temporary sunset rent controls of some sort, people will not be able to set aside the money necessary to have the stability of a mortgage. This is a major concern for Albertans.

We advertise, we brag, we beat our chest and talk about the Alberta advantage, but the grim reality is that that Alberta advantage is very elusive for the people whose rent continues to increase without any type of oversight. An example would be in the Varsity apartments that I brought up so many times during the spring session of the Legislature. While theoretically you can only raise the rent once, landlords are getting very creative. They're now suggesting: "Oh, yes, but we're going to now charge you for your cable," or "We didn't charge you before for your electricity and your sewer,

and we're now going to charge you for that, but that's not a rent increase; that's just a recognition that the cost of electricity has gone up; therefore, we're adjusting your rent to accommodate for that particular concern." There is no legislation that prevents landlords from being creative in the types of gouging they undertake.

So we can argue about regulation, and we can argue about legislation, but when it comes to rental circumstances, when it comes to homelessness, there is neither regulation nor legislation that addresses the need of individuals to qualify for that first mortgage and to enjoy both the opportunities and the responsibilities of owning their first home.

5:50

We've got a number of organizations that will appreciate Bill 24, Real Estate Amendment Act, and I credit the government for doing the research that would prevent that fraudulent activity from continuing. That background research and accepting the input from that background research is very refreshing. We have seen examples – the Member for Edmonton-Beverly-Clareview and the Member for Edmonton-Glenora have first-hand experience of being on an expert task force tasked to tour the province to come up with the best suggestions possible to allow people to have ownership of their homes, to have a roof over their head, whether it's a rented room or whether it's the opportunity to have a home of their own. When the rental task force came back with their recommendations, unfortunately, the government rejected 32 of the 58 recommendations. So it is of great concern how the government picks and chooses between what will be regulated and what will be legislated.

I also want to touch on the concern that the Member for Edmonton-Beverly-Clareview pointed out with regard to the self-regulation of real estate agents. Now, I don't know, and I'm sure the Member for Leduc-Beaumont-Devon or the Member for Edmonton-Ellerslie could give me a brief background on the type of education and the coursework required to qualify to be either an appraiser or a realtor, but I would suggest that it pales in comparison to that of a doctor. Yet when we talk tomorrow about Bill 41, we're saying that doctors who have had nine-plus years of training if they're going towards a specialty don't have the sufficient internal authority within their professional qualifications to self-regulate. There is also, potentially, the suggestion that while it takes six years to achieve a master of teaching degree, members of the teaching profession don't deserve a raise equivalent to inflation.

The government seems on one hand to be very willing to allow certain organizations to self-regulate, but when it comes to the professionalism of organizations such as medicine and education, they need to be shepherded because they don't have the intelligence to regulate themselves in a professional manner. You can't have it both ways. Therefore, what I would recommend is legislation that the open opportunity of the people of Alberta be recognized as superior to anyone's behind-closed-doors regulatory attempts.

The beauty of a democracy is that all voices are heard, and I appreciate the discussion and the voices that have been heard in this Assembly today. Again I want to thank the Member for Leduc-Beaumont-Devon and recognize the intellectual capabilities of the Member for Edmonton-Ellerslie in providing this House with a much better understanding of Bill 24, Bill 36, and Bill 35 than we had going into this discussion and debate.

Thank you very much.

**The Chair:** Hon. members, pursuant to Standing Order 63 "the Committees of the whole Assembly shall rise and report prior to the time of adjournment," and I still have another member on the list. So we'll rise and report. I'll call on the hon. Deputy Government House Leader.

**Mr. Zwozdesky:** Thank you very much, Mr. Chair. I would move that the committee now rise and report Bill 35, the Alberta Personal Income Tax Amendment Act, 2007, and also report Bill 36, the Alberta Corporate Tax Amendment Act, 2007, and report progress on Bill 24, the Real Estate Amendment Act, 2007.

Thank you.

[Motion carried]

[The Deputy Speaker in the chair]

**Mr. Shariff:** Mr. Speaker, the Committee of the Whole has had under consideration certain bills. The committee reports the following bills: Bill 35 and Bill 36. The committee reports progress on the following bill: Bill 24.

**The Deputy Speaker:** Does the Assembly concur in the report?

**Hon. Members:** Concur.

**The Deputy Speaker:** Opposed? So ordered.

The hon. Deputy Government House Leader.

**Mr. Zwozdesky:** Thank you very much, Mr. Speaker. In view of the hour and the vigorous and rigorous debate of the afternoon, the tremendous progress made, I would move that we call it 6 p.m. and adjourn to reconvene tomorrow at 1.

[Motion carried; at 5:57 p.m. the Assembly adjourned to Wednesday at 1 p.m.]