



Province of Alberta

The 27th Legislature
First Session

Alberta Hansard

Tuesday evening, October 28, 2008

Issue 41e

The Honourable Kenneth R. Kowalski, Speaker

Legislative Assembly of Alberta

The 27th Legislature

First Session

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[Errata, if any, appear inside back cover]

Legislative Assembly of Alberta

7:30 p.m.

Tuesday, October 28, 2008

[Mr. Mitzel in the chair]

The Acting Speaker: Please be seated.

Government Bills and Orders Second Reading

Bill 36 Land Titles Amendment Act, 2008

[Debate adjourned October 28: Ms Blakeman]

The Acting Speaker: Any members wish to speak? The hon. Member for St. Albert.

Mr. Allred: Thank you, Mr. Speaker. I'm pleased to rise on Bill 36 and just make a few comments. I have some background with regard to the items in Bill 36, having spent a number of years in senior management in the land titles office and many, many years as an Alberta land surveyor.

I'll speak, firstly, with regard to sections 5 and 6 in the bill. There are occasional errors on plans of survey. Plans of survey, just for a little information, are the documents that delineate all parcels of land upon which all certificates of title and other legal instruments in land titles are based. Each plan probably contains a thousand or so pieces of data, so I guess it's not uncommon that occasionally there will be errors found in plans of survey.

Now, the procedures that are set out in the current sections 91 and 92 have operated reasonably well safeguarding the interests of landowners while providing for the recording of these corrections. One problem has always been where a land surveyor has either retired or passed away or is otherwise unavailable in that he's not available to make these corrections. These amendments will remove that impediment to the correction of these errors in the current legislation, so I fully support those two sections that will clean up what has been a bit of an inconvenience over the past number of years and, in fact, has caused some considerable problems where the surveyor has been deceased.

I'd like to speak a little bit as well on section 3, which introduces the new concept of the pending registration queue. Now, as a former official of the land registration system I've seen the problems that this section is intended to cure. Delays are very often created, as we've seen, I believe, this last summer, by backlogs due to the high volumes of real estate transactions. This amendment will create a priority system based on the time and date of submission as opposed to the time and date of actual registration of a legal document. As we've seen in some of the backlogs, this can sometimes be a few weeks or sometimes can even be a few months when they really get backed up.

Now, the only concern that I have – and I would appreciate a response from the Minister of Service Alberta on this matter – is where a document is submitted and subsequently rejected because of an inconsistency or omission, what the status of that document and its priority in the registration queue might be. My concern is that if a document is registered but is never resubmitted, it might retain its legal priority yet never be resubmitted and actually registered. That could cause some delays and, certainly, some problems for future documents that are submitted that will need to take priority over that. So I'd like to know exactly what the process is going to be to get rid of those what we might call stale-dated documents.

The caveat, which is a legal document that was originally created in land title legislation many years ago, was meant as a temporary means to register a legal interest without registration of the actual legal instrument. Now, over time, however, many caveats were never followed up with the registration of the actual legal instrument for one reason or another, but the courts in dealing with these situations have created the concept of, quote, registration by way of caveat, end quote, where the rights of the legal interest were preserved forever by the registration of the caveat. This was subject only to the right of an interested party to challenge that caveat, and that would require a court process, or if the caveator agreed that they no longer had an interest, they could voluntarily remove it. But the removal of ancient caveats, again, can often cause some difficulties where the caveator, personally, or the party that he or she represents is no longer available to remove the caveat. I would hate to see a similar process happen with regard to the pending registration queue.

Now, section 10, I expect, probably is intended to deal with that. The hon. Member for Edmonton-Centre had some concerns with regard to section 10 giving the authority to pass regulations to deal with what I presume are those types of situations, being rejected instruments. I don't think there's any ulterior motive in making that in regulation. I think the concern is that some of these real estate transactions need to be processed fairly rapidly. To rely on a change in legislation would delay it for perhaps a year or so to get the legislation, whereas a regulation or order in council would be speedier and would expedite the real estate transaction. It's my assumption, in any event, that the reason that section 10 is there, giving authority to pass regulations to deal with rejected instruments, is because of that exact problem. Certainly, in real estate transactions time is of the essence.

Just on another note – and it was raised earlier in debate – with regard to the efficacy of the Torrens system, I personally do not believe that there's anything in Bill 36 that would compromise the principles of the Torrens system, certainly not the mirror or the curtain or the assurance principles. One of the fundamental attributes of the Torrens system, however, is efficiency. I think this will actually expedite efficiency in registration in times of backlog.

Mr. Speaker, those are all the comments that I have at this point in time. I think that this bill is a very timely bill to try and reduce some of the delays we often see in our land registration system when we have a backlog of legal transactions.

Thank you.

The Acting Speaker: The provisions of Standing Order 29(2)(a) are available if anyone wishes to comment or question.

Hearing none, anyone else wish to speak?

Hon. Members: Question.

[Motion carried; Bill 36 read a second time]

Government Bills and Orders Third Reading

Bill 9 Land Agents Licensing Amendment Act, 2008

[Adjourned debate October 22: Mr. Chase]

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

Ms Blakeman: Thank you very much, Mr. Speaker. I'm pleased to be able to speak at third reading of Bill 9, the Land Agents Licensing Amendment Act. I had started out I think in second and raised a few

issues, made some brief comments, and then had some reaction from people. I did quite a bit of work on the bill in trying to understand it and follow through on that: consulted with some additional people, did some additional research. I listened to some of the debate in committee but didn't get a chance to participate.

Now we're in third, in which I am really speaking to the anticipated effect of the bill. I have to admit, Mr. Speaker, that I'm not totally satisfied with the explanations that I've heard around this bill. I think some of my initial concerns have not in fact been answered. I know this bill is special to the Deputy Chairman of Committees, but it strikes me that we have conflicting issues here. Essentially, the request seems to have been that landowners wanted to choose who could represent them. Where the conflict starts to come is that if the landowners choose people that they wish to represent them, there's still an expectation that the oil and gas companies are going to pay for these individuals' services.

7:40

There's some push back. I mentioned a couple of the names that I'd received letters from that are on the payers' side, the oil and gas companies, with a little bit of push back, you know, that they'd now continue to be expected to pay for these individuals that are not on their company payroll or aren't contracted to work for both the oil and gas company and the landowner.

It strikes me that what's at the bottom of this is really education and consumer protection. This is not an uncomplicated business. I've just used a double negative there; my apologies to my English teacher. I've seen the number of different pieces of legislation that land agents have to be very familiar with in order to do this job well, and it's a tall list. That isn't to say that individuals that a landowner would choose to represent them would be uneducated in the necessary acts in order to represent someone well, but there's no requirement that they be.

I guess my concern is always around consumer protection because when everything goes wrong, when everything goes south, the public looks to us and says: "Why didn't the government do something? Why didn't you anticipate that this is where it would go wrong?" A lot of our consumer protection legislation comes about because we're the only ones that can do that. So here's a situation where it's been identified that it's not working as well as people would like in the community, and they've asked for something different. Also a part of what was a catalyst for this was a court case that happened where someone was acting for a landowner and got taken to court and essentially lost, but in many ways they won because we now have a piece of legislation in front of us that will put into effect exactly what that individual was trying to do, which was to represent a landowner as the landowner's choice.

My concern from this is that we've now created a second category, and that new category is the – wait a minute, let me get the exact wording here. We used to have a land agent being someone – well, the whole thing read:

- (c) "land agent" means
 - (i) a person who
 - (A) on behalf of the person's employer,
 - (B) as an agent on behalf of another person, or
 - (C) on the person's own behalf, negotiates for or acquires an interest in land, or
 - (ii) a person who for a fee, which includes accepting compensation for travel and other incidental expenses, gives or offers advice to an owner or the owner's agent with respect to a negotiation for or acquisition of an interest in land.

That whole thing, section 1(c), is now repealed, and what we get is:

- (c) "land agent" means a person who negotiates for or acquires an interest in land

- (i) on behalf of the person's employer,
- (ii) as an agent on behalf of another person, or
- (iii) on the person's own behalf.

What you're really missing out of this is the fee portion, and it does in effect create this new category of land agent who does not necessarily work for an oil and gas company.

The inference here is that they are chosen by the landowner. Fair enough. That clearly needed to happen. Landowners wanted that to happen. They wanted to feel that they could choose somebody, and they're going to have the ability to do that in this act. That's going to be the effect of it.

My concern is that we're now expecting that the oil and gas companies will no doubt be expected to pay, and they may be expected to pay for people who aren't certified in any way, shape, or form. There are no certification requirements here. Before, a land agent would have been someone who would have to receive that certification through the appropriate association, and there were certain standards that they had to meet there. That requirement is not there now. They don't have to go through that professional association and meet that criteria. They could be, you know, a relative or a friend or a neighbour. They could be anybody. There's no requirement that they meet certain standards or have certain education or training in order to perform this work. I think we will see trouble down the road when the oil and gas companies are reluctant to pay for someone's services, and the landowner, who may well be facing some strained financial circumstances, isn't willing to either, so now everybody is unhappy. We have someone who potentially wasn't certified to do the job. Another possibility, not necessarily the same scenario, clearly, is that they can't get compensation from either side, either from the landowner or from the oil and gas company, and they're unhappy about that.

I do see this as a consumer protection issue because we want everyone to be as educated and prepared and vigorous as possible. I think that raises the bar, and we are not ensuring competencies here. There's nothing in this act that is requiring someone performing this job to have a certain level of familiarity with the legislation. I question whether we, in fact, have set the bar higher for full and fair negotiations. I think we didn't. We didn't lower the bar, but we took the bar away, and I think that's going to be problematic in the future.

Again, there's no requirement that a standard of education or knowledge be met, and I wonder whether some of those people who want to do this work end up feeling like there's a mark against them starting out because there's no piece of paper. There's no certification for them to wave at somebody and say: "No, no. Really. I know all of this because here's the certification from the such-and-such society. I know how to do this." They have nothing that they can show to a landowner to say: yes, I know what I'm doing here.

On the one hand, that may allow people that don't have competencies – true enough – but it may also put a person with competency but without the certification because they're not a member of the land agents' association to prove that they've got that competency. So we're hooped either way. I wonder why we couldn't have looked at some sort of criteria that expected either a classroom or an apprenticeship or both to be set into place here.

That's my anticipated effect of this bill. I think there are going to be issues that arise out of this that are going to be about both questioning competencies of land agents and also a land agent's inability to prove their competency because they have no certification, no piece of paper to show anybody, and I think there are going to be issues about who's going to pay. None of those scenarios are particularly happy ones.

I think we were all seeking a more solid outcome as a result of that court case that happened. I think we were trying to establish a

new category of land agent that wasn't necessarily tied to the oil and gas industry as much as people seem to feel historically has been the case, and I don't think we succeeded. I don't think we satisfied everybody on this one. I think the bottom line is that it's a consumer protection issue. I don't feel that we did in the end protect the consumer, and we are going to end up having to deal with the repercussions of this. I think everybody worked hard on it, but I'm not sensing that we hit the right solution.

As a final note I want to say how pleased I was to be corrected. If the Speaker remembers, when I first started out talking about this bill, I said something about how there weren't very many women involved in this and was immediately corrected by a number of women who, in fact, worked in this area. I think they ended up telling me that there was a whole bunch of them. There were lots, 169 or something. I actually read the number into the record at one point.

7:50

Just as a final note, how thrilled I was to find out that this is not only an area in which women have been working for some time but an area in which women have really excelled. This is detailed work. It's about multitasking, and it's about working with people and trying to come to a successful conclusion for everyone. The women that I met that work in this area are dynamite, so it was a great opportunity for me to get to meet some women that are working in a really cool sector. I was very glad that I made the mistake in the first place and that those doors opened for me.

Thanks very much, Mr. Speaker. I'm glad I got a chance to put my final concerns on the record. The bill is clearly going to go forward, and I'm going to support the bill. I just wish we could have addressed those issues because I think that's where we failed ourselves and where we failed the people that are in the sector that were looking for both the new description but also some sort of standards and certification around that and some way of satisfying the oil and gas sector if they end up having to pay for those services.

Thanks again for the opportunity.

The Acting Speaker: Under Standing Order 29(2)(a) five minutes are available for anyone to comment or question.

Mr. Berger: I'd like to ask the hon. member across the floor who she would expect to pay for those services. The landowner is not going to the oil and gas company looking for someone to drill. It's the other way around. So who would you put that onus on as paying for those services?

Ms Blakeman: Well, I'm not involved in these negotiations, but from what I've heard from people, there's an expectation, very clearly, that the oil and gas sector is going to pay for this. The deal previously was that the oil and gas sector was paying for people that were either certified land agents or were working for the oil and gas company. Now you're asking them to pay for somebody that is neither of the above, and there has already been an indication that they have some hesitation around that. I'm sure you're just as privy to those letters of concern as I was. I'm sure you could have answered the question yourself because you probably got the same information I did.

That's the situation that has been created here. We've moved beyond what the oil and gas sector had historically been willing to pay for, created a new category that they don't have control over, nor can they verify certification, and there's still an expectation they're going to pay for it. I think that under those circumstances I can understand why they might balk a little bit, and the legislation does nothing to give them any certainty or any satisfaction.

Mr. Berger: My second question, then. We have plenty of negotiators out there that haven't got the certification you're speaking of. They happen to be the ones picked by both the oil and gas sector and the landowner sector. Can you explain to me and this House why those people shouldn't be able to negotiate these contracts?

Ms Blakeman: I'm sorry. The member is going to have to go back and read all of my comments in *Hansard*. Clearly, he has not followed the arguments that I was making because that's not what I was saying.

Mr. Berger: The comment was that it could be someone's relative or a friend. Does it mean that they are unable to negotiate because they're a relative or a friend? They still may have the ability and may have negotiated in the past and are very well versed in it and are both the pick of the oil and gas companies and the landowners, but they don't have certification. Are they unable to negotiate, by your thoughts?

Ms Blakeman: No, clearly not, Member. I'm wondering why he's having such a hard time grasping this concept. Obviously, a friend or a neighbour, a mother, a father, a long-lost ancestor is capable of negotiating on their behalf whether they're certified or not. I'm not sure why the individual is having such a hard time understanding this. Perhaps he'd like to read the legislation again.

The Acting Speaker: Do any other members wish to speak?

Hon. Members: Question.

[Motion carried; Bill 9 read a third time]

Government Bills and Orders

Second Reading

(continued)

Bill 23

Weed Control Act

[Adjourned debate October 27: Mr. Prins]

The Acting Speaker: Do any members wish to speak? The hon. Leader of the Official Opposition.

Dr. Taft: Thanks, Mr. Speaker. I'll keep my comments very brief here. My understanding of the process here is that it has worked out quite well. You know, my reports from our caucus members on the Standing Committee on Resources and Environment are that the review of this bill was quite thorough. A good effort was put into it. That committee has come forward with their report, which suggests or recommends some amendments to the legislation, which, I'm assuming, will come forward in due course.

This is a significant piece of legislation. It addresses an issue of fundamental concern, particularly to rural landowners and to municipalities who have to work on things like weed control. Assuming that the recommendations of the Standing Committee on Resources and Environment concerning Bill 23 are accepted and that those are brought forward, I expect, in Committee of the Whole, I don't see a reason at this point not to support this legislation and let it just move right through.

I look forward to seeing an amendment in due course from the government side. Thank you, Mr. Speaker.

The Acting Speaker: The hon. Member for Lethbridge-East.

Ms Pastoor: Thank you, Mr. Speaker. I'd just like to make a couple of comments on this. When I'm reading through the bill – and I understand the good work that's done on it – I think a lot of people would automatically think rural. Certainly, I do have a rural property.

I guess I would like to just make one point. In schedule 1 they've listed plants that are restricted, plants that are noxious, and plants that are designated as nuisance weeds. I would suspect that most of the farmers in here could identify these, but I certainly can't. Some of these weeds, I know, are in cities. Purple loosestrife, once it gets caught somewhere, spreads quite quickly. I guess what I would like to see the government do is have some kind of an education program. I remember years ago the government put out, actually, quite good books about trees and fish and those sorts of things. I know that I have some of these noxious weeds because they've been pointed out to me, but I wouldn't know them from a bucket of bolts if that hadn't happened. It's just a suggestion that somehow or another there be an education behind this so that just the average person, not necessarily rural people or perhaps people that have second homes or seasonal residences, would actually recognize these and help eradicate them.

Thank you.

The Acting Speaker: Hon. members, could the chair have consent to revert to Introduction of Guests?

[Unanimous consent granted]

Introduction of Guests

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

Mr. Marz: Well, thank you very much, Mr. Speaker. I'd like to introduce some friends of mine in the gallery from Linden, Alberta. Well, they were from Linden until they rented their place out last June to come up here to Edmonton and volunteer at the guesthouse for patients at the W.W. Cross hospital. It's Ellis and Dianne Reimer from Linden and with them their friends Ron and Lidia Toews. There are also six young ladies that are CPS volunteers, which is a Christian organization: Rachael Coons, Christine Bechner, Janeen Unruh, Elizabeth Unruh, and Annie and Christa. I'm sorry, Annie and Christa, but I don't have your last names. Would you please rise so the Assembly can give you the traditional warm welcome.

8:00 Government Bills and Orders Second Reading

Bill 23 Weed Control Act (continued)

The Acting Speaker: On the previous speaker Standing Order 29(2)(a) is available. No one wishes to speak?

Anyone else wish to speak on the bill?

Hon. Members: Question.

[Motion carried; Bill 23 read a second time]

Bill 24 Adult Guardianship and Trusteeship Act

[Adjourned debate October 28: Mr. Zwozdesky]

The Acting Speaker: Any members wish to speak? The hon. Member for Edmonton-Strathcona.

Ms Notley: Thank you very much. I appreciate the opportunity to get up and speak on Bill 24 in second reading for the first time, obviously. I'd like to start by saying that I appreciate the tremendous amount of work that was done by staff within the Ministry of Seniors and Community Supports with respect to putting this bill together.

It's a very, very complex area with a lot of competing interests. Just when you think you've heard a compelling argument with respect to how to deal with the issue in one way, you hear another compelling argument from a different person that would result in your choosing a completely different direction. It's an issue and it addresses issues that are of extreme importance to many Albertans, so it's not ever an easy area to deal with. I think probably most MLAs know that because we have so many different issues like this that come to our offices in terms of concerns with respect to how people believe their rights are being addressed or not addressed through various and sundry guardianship and trustee arrangements. So it is a very complex area.

There are a number of important principles that find themselves in this bill which I think are good moves. Certainly, the whole idea of trying to create more choice with respect to the nature of decision-making and the level of authority between a dependent adult and either their guardian or trustee I think is a good move because it maximizes the independence of the dependent adult while at the same time ensuring that there are people there, hopefully, in most cases acting in their best interests.

The scheme of introducing different categories of decision-makers or people who assist decision-makers is, I think, a really good one. I'm pleased to see that, and, of course, just the whole issue of reviewing the act as a whole because we know it's been a long time coming, and there have been a lot of concerns that were raised about it. It's good to see that happening as well.

I did sit on the policy field committee which reviewed this act. We had the opportunity to hear a number of representations from stakeholders and also to thoroughly question and converse with officials from the ministry. I do want to thank everybody involved in that process for the amount of information we were given and the amount of patience we were shown by people who know about these issues and who were willing to repeatedly answer our questions and then answer more questions that arose from the first set of answers and then answer more questions that arose from the second set of answers and all that kind of stuff. The staff who were supporting our consideration of this bill were very, very professional and knowledgeable.

There are many, many areas of this act, and I'm not going to get into all of them right now, in second reading. I will, however, just raise sort of the primary concerns that are separate from the recommendations of the committee, which, of course, recommended that the act go forward for a lot of the reasons that I've just outlined. But I did submit a minority report, which is appended to the report of the Health committee that particularly identifies one area that I have a concern with.

I want to start by saying, as I did in the minority report, that I appreciate the amount of time that was given to me by my committee members to raise this issue repeatedly and to discuss it ad nauseam and to try and negotiate a solution repeatedly. It was certainly a very functional committee time, I think, in terms of how we worked through it, notwithstanding that we weren't able to come to agreement.

The area that I have concerns about, of course, relates to the issues around oversight of guardians and public guardians and trustees and

Public Trustees and relate to the mechanisms which are available to dependent adults and/or other family members in the event that they have concerns around the decisions that are made on their behalf by any of the four people that are parties that I just listed. In essence the act provides for an interested person – whether it's the dependent adult or whether it's somebody else on behalf of the dependent adult or whether it's even, I suppose, a member of the public – to file a complaint around the conduct of a guardian, trustee, Public Trustee, public guardian vis-à-vis the dependent adult. Where that complaint is seen to have merit, then there is a whole investigatory process that unfolds, and anyone that knows administrative law knows that as a result of that investigatory process being delineated in the act, there are a number of natural justice kind of actions and activities that need to be followed in the course of investigating the concern and the complaint.

My concern, however, is that the complainant, whoever that may be, does not automatically get the opportunity under this act to have an investigator look into their concern. Rather, a staff member within the Public Trustee's office and public guardian's office can dismiss the complaint if in their opinion the complaint is vexatious or frivolous, so through a subjective standard.

The difficulty with this is that in many cases guardians are not dealing with financial decisions, you know, investment or how much money you are paying for rent or this or that. They are dealing with decisions which go to the very heart of how a dependent adult lives their life. They are dealing with decisions around where they live, who they might see, what they do in their free time, how they are supported in the course of pursuing those free-time activities, where those free-time activities might be pursued, the kinds of things that at the end of the day define whether you have a quality of life or whether you don't. What might be frivolous to one person may not be frivolous to another.

More to the point, they go to the very heart of how people live their lives. The decisions that are being made by these guardians are extensive and have a tremendous, tremendous impact on the lives of the people over whom they have authority. So I'm very concerned about a system which proposes to allow a staff person of the public guardian or trustee's organization to simply dismiss the complaint because it's frivolous.

Frankly, I know myself that as I get older, I tend to complain more. I'm not saying that everyone that gets older complains more, but, you know, I'm certainly kind of a complainer person. I would be absolutely – I can't even think of the word, but I would be remarkably upset if I had my version of what I thought was a legitimate complaint characterized as frivolous. Now, I know folks on the other side do that all the time to me. Nonetheless, I get to go home and make my own decisions in my own life after my days here. These folks don't, so we need to make sure that we have a way to genuinely and independently and neutrally oversee the kinds of concerns that they may raise.

8:10

There's an additional problem, of course, with respect to the fact that in some cases staff of the public guardianship or Public Trustee's office will in fact be reviewing and assessing complaints that are made against that office, so it's a built-in conflict of interest. Now, we were told at this committee meeting that they would as a matter of policy farm that out to someone independent, but to me that kind of inherent conflict of interest cannot simply be remedied by some future policy which can change on a whim which we've never seen. As legislators I think that would be absolutely irresponsible of us to allow that to be the case. This is a piece of legislation that, as I've said and I will say over and over and over again, gives

tremendous authority to people to take care of other adults. We simply cannot wave away the potential conflict without insisting upon a process that secures independence and negates the conflict of interest.

The final thing that I'll just say at this point about this is that I think this is going to be of growing importance. We all know the demographics. We all know the crisis – and I say crisis – that we face right now in terms of having adequate care for dependent adults, whether they be seniors or whether they be adults with other disabilities or conditions which require some oversight and care. It doesn't really matter. We know there is a crisis in how the lives of those people are impacted right now, and we know that we don't have the resources in many cases to make the best decisions for them. So to then enhance or overlap that problem with giving a carte blanche or close to a carte blanche to guardians or trustees without ensuring as a matter of right the ability of the dependent adult to have their concerns independently investigated and assessed is a recipe for disaster, and it doesn't demonstrate, in my view, a heck of a lot of foresight for the kinds of issues that are going to increase in both number and severity over the next 10, 15, 20 years.

I want to make sure that we provide the best care for our dependent adults. Whether they be, as I say, seniors or whether they be adults who are dependent for other reasons, we have an obligation to do that. While this act goes a long way in achieving those objectives on many different fronts, in my view, we make a fundamental error if we don't build into this act a protection for these dependent adults which is unequivocal and is a matter of right.

At this point I'll just end my comments on that issue and look forward to further debate as the bill works its way through the Assembly. Thank you.

The Acting Speaker: The five-minute question-and-comment period under Standing Order 29(2)(a) is available.

Any other members wish to speak?

The hon. Minister of Seniors and Community Supports to close debate.

Mrs. Jablonski: Thank you, Mr. Speaker. I'd like to thank everybody for their comments on Bill 24, the Adult Guardianship and Trusteeship Act. I think this is an extremely important bill. I've listened carefully. I want to say thanks again for your comments, and I would ask that we call the question.

[Motion carried; Bill 24 read a second time]

Bill 27

Funeral Services Amendment Act, 2008

[Adjourned debate October 20: Mr. Chase]

Ms Blakeman: Well, Mr. Speaker, this is another bill that I've recently inherited as critic. To be honest with you, I haven't been able to read to the end of the actual bill, so I'm having to wing it a bit here. But this is what you get for being in a . . .

Mr. Ouellette: She wants to make sure she's looked after when she dies.

Ms Blakeman: I'm getting encouragement here from the Minister of Infrastructure. I guess that scares me a little.

What I'm getting from my first go at this bill is that it is a reworking and addressing of a number of administrative changes that needed to happen to the bill. To be honest with you, I'm not sure when was the last time this was updated. It's showing revised

statutes of 2000, when we sort of generally updated everything, but that doesn't tell us how long this stuff all sat here.

Dr. Taft: That was the last time, I believe.

Ms Blakeman: Yeah, but everything got updated in 2000.

You know, funeral services are one of those things that have sort of gotten a bad rap recently. It's a favourite place to go hunting for storylines for crime investigator television programs and things. It's a bit of the unknown mixed in with a fear of indignities mixed in with that we're all going to have to go there. People don't like to talk about what's happening here.

In fact, the profession itself has also suffered some bad press, if I can put it that way, has also turned up in some good and bad literary plots. Some people compare funeral directors and funeral companies to the dredges of society, right down there with politicians and lawyers and used car salesmen. [interjection] I know. Not the order I would put things in, but we're just generally acknowledging those terrible jokes that society plays on certain professions.

It's unfortunate because it is an area that's delicate. It's tough to talk to people about, "What's going to happen when you die?" and "Can you please make some decisions about that?" I've tried to be a grown-up, a good adult child and talk about this with both of my parents, and there's a real reluctance to do this. I don't know whether it's because as a parent they don't want to distress their child by talking about the day when they won't be here – that may well be what some of the reluctance is – or just a generational distaste for discussing this. I don't know. But it can be tough to get people to speak openly about funeral arrangements. Have they done it? What did they prepay? Where has it been done? Then you get into all the family stuff: "What do you mean you bought a plot there? She was a pioneer, and she should be in the pioneer graveyard in Millarville. There's no way she should be buried in this awful spot somewhere else." You get all of the other family stuff mixed into it, and it's sort of a big, messy stew of very strong feelings and hesitations and fears that all get mixed together.

We're trying to be grown-ups here. We're trying to provide legislation that will clarify and also promote a confidence in this particular sector. Let's face it; this sector is changing. You know, everybody used to die and be cared for at home. There used to be a lying in at home, a wake in the front parlour. Then it was moved into the churches of the community. Now it has moved from the churches into the – I'm trying to remember the phrase.

8:20

Dr. Taft: Funeral homes?

Ms Blakeman: The funeral homes. Thank you. In some cases they're called memorial centres. There's another word that's being used a lot more now. People have a memorial, not a funeral. So the whole way that we mark somebody's death and move them through those various stages to putting them in the ground, if that's what happens to them, has changed quite a bit over one person's lifetime, actually.

There is an attempt in this bill to address a number of those things where it is perceived there are some issues. There's a lot of good stuff that's being dealt with here. I can just very quickly run through some of the things. The ability to compel a business to cancel a prepaid funeral contract if they're requested to do so by the people that are named. I mean, they go through and say: someone that organized this on someone else's behalf, that individual's behalf themselves, and there's another list of who can cancel this funeral contract if they request to do so.

The income that's earned on any money, trust deposits from prepaid contracts, would be kept in trust until that funeral is performed or the contract is cancelled or the money is refunded. So it's addressing all these little things, but they all start to add up.

Authorizing the director of funeral services to designate trust corporations, prohibiting solicitation of consumers for the purpose of transferring prepaid contracts, permitting the director to sanction funeral service businesses by placing conditions on their licences. I mean, this is all addressing various issues and problems that have come up in the past, so it's largely an administrative bill.

There are a number of administrative sections, talking about adding filing fees and that sort of thing. A publication section about publishing information about funeral businesses that have been disciplined and disclosing that to other jurisdictions so that we don't have somebody that sets up a fraudulent business and gets caught here just move on to somewhere else, and we can't tell them that that's what happened here.

A penalty clause. Liability protection that's given to the Funeral Services Regulatory Board and extending that liability protection to members of the appeal board. Then, as usual, the government's all-time favourite: regulation-making ability, giving additional powers to the minister to do just about anything they want. There are a number of things that are included under that, including, again, a fee structure.

A couple of things had popped out to me as I started to read through this. The first one for me appears in the amendment of the bill, section 4, which is amending section 3. It's talking about the duties and functions of the business manager as prescribed by the regulations unless that person holds a business manager licence. What is this licence? Is there a criteria that goes with this, or is this just another way of extracting a fee out of somebody? If I could get the sponsor of the bill to answer that for me, I'd be a little happier.

Then section 18.7, appearing on page 21 of the act. There's a special circumstances provision there which I'm kind of interested in. What's being anticipated here? It's despite any provision in this act. Then it goes on to say that an inspector can during an investigation enter premises and seize all documents and other things that they think they have reasonable grounds to take. Why does this special section need to be in there? It's clearly around a delay involved in obtaining an order under sections 18.2 or 18.6 that could result in a loss or destruction of evidence. Why is this so important?

I'm just interested when sort of extraordinary powers are given, especially to enter somebody's premises and to collect documents from them. If I can get a more expanded explanation of what's happening there because I'm wondering if this is about going into someone's house that it would be considered to be special circumstances or that somehow they think somebody is absconding. Why can't the normal process of getting a court order to enter and seize suffice here? Why is the act setting out this special provisions section?

One of the things that I was looking for when I started was to see if there was an inequity being created here that would advantage the traditional providers of funeral services and disadvantage some of the newer and different providers of services that were coming into the business now. You know, we have some that are more involved in an environmentally different way of providing funeral services. A couple of other things I've seen in the media and talked about, and I thought: well, I wonder if this is a way to just entrench the old way of doing it so that the existing providers of funeral services are sort of protected; they protect their turf. But that doesn't seem to be what's happening in this bill at all. It does seem to be a genuine review of things that needed to be addressed that have come up over the years since it was last looked at; in other words, an evergreening of the legislation.

One of the things that did catch my eye is section 3, which is amending section 2 by striking out “or to a mutual benefit society.” Why is that being removed? As far as I know, there are still mutual benefit societies around, so why does the act not apply to this? Essentially, what it’s striking out is this last bit that says, “This Act does not apply to a fraternal society licensed under the Insurance Act or to a mutual benefit society.” It’s the mutual benefit society that’s being struck from the act, and I wonder why. Are they covered somewhere else in a different act? Are they covered under the Insurance Act? Or have mutual benefit societies done some terrible thing that they don’t deserve to be included in this act? I just wonder why it is taken out, especially because mutual benefit societies to me are more like co-ops, so they tend to be a kind of group of people that have come together for a common purpose. It’s the sort of thing that I would generally support, so I’m a little concerned when I see them being written out of the legislation. I’m sure the sponsor of the bill can give me a good answer as to why that’s happening.

As I say, I haven’t been able to review this as thoroughly as I would like. I know that some of my colleagues will speak to the bill, but we will need more time to do a more thorough examination of this. We’ll do the best we can with it today, but I’m hoping that we will adjourn it. That will give some of my colleagues a bit more time to catch up on this one. I mean, the bills that we’re trying to review now are coming at us pretty thick and fast. The last one I talked to was over a hundred pages. This one is 28 pages. We just can’t keep up with them. We don’t have enough staff to run as fast as they need to on this one although they’re certainly running fast.

Those are the comments I’m able to offer at this time. I apologize that it’s not as thorough as I would like it to be, but I just need more time to examine the rest of the act.

Thank you very much, Mr. Speaker.

8:30

The Acting Speaker: The provisions of Standing Order 29(2)(a) are available for five minutes. Anyone wish to comment or question?

On the bill, any other members wish to speak? The hon. Member for Lethbridge-East.

Ms Pastoor: Thank you, Mr. Speaker. I would like to make some comments on the record for Bill 27, the Funeral Services Amendment Act. One of the things that I see as a change that I think is really important is that money that was held in a special fund now has to be held in a trust fund. There are a number of reasons that I think that’s a good example because, clearly, if someone has a prepaid funeral, those dollars can easily stay in that trust fund for many, many years. Sometimes funeral homes are bought out or else funeral homes go out of business. I think it’s very important that that money is protected. That’s just a small change in word, but I think it goes a long way in protecting.

Certainly, as my colleague from Edmonton-Centre has said, I think the bill also goes to reflect the changes that society’s attitude has towards death and in the way in which we give our family members or our friends their final send-off. I still am very partial to the Irish wake. I think it’s a great way to do it. Everybody parties with the deceased and hopes that no one falls in the box with them. However, they do have a grand time, so probably I would lean towards the Irish wake. I think the point of the Irish wake is that it’s not so much the grieving – now, it may be part of a religious culture where you believe that death is only the start of life, and it isn’t quite as sad – but we are celebrating people’s lives more. It’s not the sad affair that it used to be. It’s celebrating the fact that the person that we loved was with us for as long as they were. We remember the good times, and we try to fill the voids with those good times.

The other thing that I like – and certainly there are some stories that I’ve heard – is that there’s protection. “To abuse the trust of an individual or to exploit an individual’s fear, lack of experience or knowledge” on the part of a funeral director: certainly, I think funeral directors have come a long way from that. But when someone is dealing with a death that they’re not prepared for – and I think that may tend to be perhaps my generation and on because I know the people behind me really are giving a great deal of thought, and they’re writing down what their wishes are.

No matter how ready we think we are, I don’t think we’re ever ready for the death of a parent. Certainly, I can speak for myself for both my parents. We knew it was coming both times. You think you’re ready, but you’re really not, so you do get very emotional, like my colleague from Edmonton-Centre also has said, in terms of families fighting amongst themselves: which is better for ma or pa or whoever it happens to be? Backing up a bit, a lot of this anguish and these decisions that have to be made in highly emotional situations really can be quite easily handled if people do proper personal directives or living wills, whatever they want to call it.

It’s a very important part of our society today because, certainly, you go into a funeral home, and the first thing you look at is a coffin. “Well, we can’t be having ma in the grey felt one. I think we’d better be having the mahogany.” There are all of these emotional things that come on. Then if the person is going to be cremated, I have never in my life seen so many objects that one’s ashes can be put in. One was a little motorcycle, and an eagle. It was just amazing. I had no idea.

One of the things that a good funeral director will talk to people about when they want someone cremated, particularly if they know they’re going to spread their ashes, is that they often counsel them to just spread half and then put half somewhere where they can go to visit. A number of people have gone to the mountains or gone to the ocean or gone wherever, and then they’ll come back later and say: I wish there was someplace I could go to visit. Most good funeral directors will at least give that kind of advice.

Then, of course, after you’ve decided you’re going to have the mahogany: we’re not going to have a satin lining; I think we’ll have silk lining for mom. It just goes on and on, and it can become very, very expensive. The other thing that’s actually quite expensive is the newspaper notice. Then you’ve got prayer cards, and then you’ve got the reception. Sometimes now at funerals we’re seeing videos. There are any number of expenses that come on.

I think that if all of this is planned ahead of time, then a good funeral director, of course, can go with what’s been planned. There are not many but there certainly are some unscrupulous funeral directors that want to try to sell everything. I mean, they’re in the business, but they want to try to sell everything that they can. When you’re emotional, especially with the death of someone very close, you certainly can make silly decisions that when the bill comes, you just wonder what you’ve done.

I think for the moment that’s all I’m going to say. I’ll probably speak to it again in committee. I think that it’s good that it has kind of cleaned up the whole funeral process and the industry and how it works. It is no different than anything else, and it has to have some rules to protect the consumer, especially, as I’ve said, when you’re so emotional. I also think that it does help to reflect the changes in society and how we handle death now and how there are so many different ways that we can say goodbye and have closure so that we can move on in our own lives.

Thank you, Mr. Speaker.

The Acting Speaker: The provisions of Standing Order 29(2)(a) are available for five minutes of questions or comment.

Mr. Allred: I'd just like to ask the hon. Member for Lethbridge-East if she's ever been to Accra, Ghana. They have a museum there. Really, it's not a museum; it's a business. They make caskets. You can get one like Elvis Presley's pink Cadillac, or you can get one designed as a boat, or you can get one like a fish. You take your pick. They're cheap there. It might be a little difficult to get it over here, but they're very cheap.

Ms Pastoor: Well, thank you for that question. Actually, I have been aware of that on the Internet. It's more than interesting. You can get little double-decker houses and all kinds of wonderful things. I think probably I'm going to stick with what I would like to have done. I'm probably going to be cremated, and I'm going to be put in a Chinese food container which will then go into the purple sack from Crown Royal. My daughters will take me home, and I'll be buried with my parents. That's probably going to cost me no more than a thousand dollars.

The Acting Speaker: Do any other members wish to speak to the bill? The hon. Member for Edmonton-Strathcona.

Ms Notley: Thank you. It's a pleasure to be able to rise and speak to this bill. Like previous speakers, I've not had yet the opportunity to engage in a clause-by-clause analysis of it to determine whether some of the objectives being pursued in this bill could be achieved more effectively or more comprehensively. However, having said that, I think, certainly, the underlying objective appears to be one which at the outset we can have some agreement with in that, of course, it appears as though this will provide some protection to consumers. It is, indeed, something that I believe is long overdue.

Without going into tremendous detail about personal experiences vis-à-vis funeral homes and stuff, I think it is fair to say that this is a forum within which there is tremendous opportunity for consumers, family members to be taken advantage of. So the greater the regulation, the greater the oversight, the more substantial the licensing, the better.

8:40

I am pleased to see that one element of this bill, at least – whether it does it the most effectively as it could, I'm not sure – is certainly geared towards enhancing the obligation of the funeral home owners to be obliged to cancel the preneed contracts and also to disburse any funds that are provided in trust. I certainly like the fact that we are now referring to it as being in trust because, of course, I think that that, in and of itself, builds on the obligations of the funeral home director to deal with the money responsibly and in the best interests of those who provide it to them.

I think that, obviously, the expansion of the prohibition on solicitation is a good thing. I think all of us would be very pleased to have a whole bunch of businesses, frankly, perhaps limit their ability to contact us for the purposes of selling their wares. In this particular case limiting that type of solicitation is a good thing.

I also, again, as I've said, am pleased to see that the director of funeral services would have additional powers to impose conditions on licences and to publish information about discipline taken against licensees because this certainly allows families to check the reputability and the record of the funeral home that they're dealing with before they proceed to make those kinds of investments and decisions.

At the end of the day we know – I mean, the fact of the matter is that funeral services are for the most part very, very big business in Alberta. I understand that Service Corporation International, which is a U.S. funeral home provider and the largest funeral home

provider in North America, has at least 20 locations in Alberta alone. I also understand that in 2001 this very same corporation was in fact tried in our courts for selling preneed funeral packages through unlicensed agents. Although they were able to get off on what many believe was a technicality, the judge at the time identified a number of concerns about the act and the fact that this funeral home was able to conduct itself the way it was.

We absolutely, then, are pleased to see a move towards protecting consumers in Alberta. It's not typically the take that this government adopts. It's usually more sort of a focus on enhancing business opportunities at the expense of consumers, but this particular bill seems to be a slight reversal of the more common trend pursued by this government.

In that sense, we are at least on a preliminary basis pleased to see this bill come forward. We look forward to hearing greater debate on the bill and hearing more detail about some of the particular consumer protection issues that this bill will address and how we got to identifying these particular initiatives.

With those final comments I would adjourn debate on this bill.

[Motion to adjourn debate carried]

Bill 38 Securities Amendment Act, 2008

[Adjourned debate October 22: Mr. Fawcett]

The Acting Speaker: Does the hon. member wish to speak?

Okay. The hon. Member for Edmonton-Centre.

Ms Blakeman: Well, hello, Mr. Speaker. It's me again, and I'd be the critic on this bill. What a surprise. Look, the bills are getting shorter. I started out the evening with a hundred-page bill and then a 30-page bill and now I'm down to 11 pages. I can't tell you how excited I am.

This looks like an intimidating bill, but it actually isn't. It's a pretty straightforward march toward a definitive end, and to my eye what we're seeing here is the winning side in a power struggle. What we've had, on the one side, is a campaign to have a national securities regime, and on the other side we have a number of provinces that are saying, "No; we will have a coalition here, more like a free trade agreement between the provinces." In fact, I think almost all the provinces, except notably Ontario, have agreed to this series of changes and have worked over a number of years to align themselves. So there has been a sort of period of adjustment as each of the provinces puts their legislation in place, which is, as is our charming way in Canada, just slightly, ever so slightly, different, and then everybody else has had to adjust to that. Then the next one takes their move, and it's ever so slightly different, and everybody else has to adjust to that. So we're coming along on that one.

Essentially, what we're looking at in Bill 38, the Securities Amendment Act, 2008, is entrenching that free trade principle that I talked about, and it's facilitating a passport system. That, really, at the bottom line is about mutual recognition of everybody else's stuff, so it makes it comparable between provinces.

As I said, this is a fairly long process that was – I think in 2004 there was a memorandum of understanding that was signed on securities regulation, and it was, sort of, all of the political regimes agreeing to the passport idea. In 2004 we saw the legislation coming forth in the various jurisdictions around prospectuses and continuous disclosure requirements. Then in 2005 we had agreements around legislative changes around long-form prospectuses. In 2006 we see the final prospectus format and the beginning of the registration format. In '07 they worked on the takeover bids and continued on

the registration. What we're looking at in 2008 is the culmination of that registration process.

My notes are saying: continuous electronic updating. I think that's part of what we're trying to facilitate with the changes that are in Bill 38. It's also bringing down the categories. I think there were 41 categories of registrations, and they're trying to bring that down to 13, so there's an attempt at sort of standardization here.

What does this mean to people? You know, Mr. Speaker, I don't come from a family that ever had money that they could play around with in the stock market. I've never had that kind of money. The only time I get involved in this is with mutual funds, and even then I'm not playing with very much money. If I retired now, I probably wouldn't make it past the end of a year with the savings that I currently have. That's what you get for working in the not-for-profit sector: no retirement funds. I don't think I'm alone in that. I think most of the people in Alberta don't have a close association with or understanding of how securities work and this whole buying and selling and stock markets and prospectuses and free market and all of that. What does it actually mean to most people? Not much. You know, it's always a section on the news where they show the tickertape and talk really fast. That's most people's experience with this.

8:50

What does this bill mean to us? What does this mean to the person, you know, walking around on the Legislature grounds, admiring the beautiful evening today? It means less red tape for the people that are trying to operate across the country in securities. Essentially, what it's doing is setting up what they call a home dealer. You deal with the province in which your head office is located, and you work under those rules, and everybody else will recognize those rules for you. As I said, in the one category they came from 41 categories down to 13 as a way of trying to simplify all of this.

The bottom line is that it's supposed to protect investors. It's supposed to instill and maintain confidence in the securities market. The hope is that by going to this kind of passport system, it makes it easier for the people that are working in this area to conduct their business, to be forthcoming, to be able to be as transparent and accountable as they're required to be, to make their life not so onerous, having to jump through the red tape in every single province that they might be operating in. I agree with that. If that were the only meaning under free trade, I'd be much more supportive of it. But that's another discussion.

As I say, I'm like most Albertans: I don't have a close association with this stuff. I don't have that kind of money to invest and play around with, so I'm not very familiar with it. But I was really interested in the principles. The excellent staff who briefed me brought this to my attention. This, in fact, is the International Organization of Securities Commissions' May 2003 document, Objectives and Principles of Securities Regulation. Essentially, this document is setting out 30 principles of securities regulation, which are based on three objectives. The three objectives are protection of investors; ensuring that markets are fair, efficient, and transparent; and, finally, the reduction of systemic risk.

The 30 principles break down into a bunch of different categories. Here are the categories. Principles relating to the regulator cover things like:

1. The responsibilities . . . should be clear and objectively stated.
2. The regulator should be operationally independent and accountable in the exercise of its functions and powers.
3. The regulator should have adequate powers, proper resources and the capacity to perform its functions and exercise its powers.

4. The regulator should adopt clear and consistent regulatory processes.
5. The staff of the regulator should observe the highest professional standards including appropriate standards of confidentiality.

That all makes perfect sense, and that makes perfect sense to me. They go on, and they talk about principles for self-regulation.

6. The regulatory regime should make appropriate use of Self-Regulatory Organizations . . . that exercise some direct oversight responsibility for their respective areas of competence . . .
7. [Self-regulatory organizations] should be subject to the oversight of the regulator . . .

What a concept.

. . . and should observe standards of fairness and confidentiality when exercising powers and delegated responsibilities.

It moves into another section, Principles for the Enforcement of Securities Regulation.

8. The regulator should have comprehensive inspection, investigation and surveillance powers.

I mean, this strikes me as very common sense, yet you know that they wrote those principles out because at some point there was a question of this or somebody felt this wasn't in existence and that they needed to state these principles out front.

They go on with additional ones about

9. The regulator should have comprehensive enforcement powers.

Well, boy, don't we know that in this province.

They

10. . . . should ensure an effective and credible use of inspection, investigation, surveillance and enforcement powers and implementation of an effective compliance program.

That's exactly right. We're seeing that in a number of different areas in this very province, where we've said: you've got to monitor it. It's one thing to say that this is what the standards are supposed to be, but you've got to monitor that that's going on. You've got to check it and make sure that it's happening. If it's not happening, there has to be some sort of enforcement going on, some sort of insistence on compliance, that if it's not being done, it will be done, and often a punishment section that says: you didn't do this, and here is the fine or the disciplinary measure that is going to be implemented. So all that makes perfect sense.

It goes on, and there are principles for co-operation in regulation, principles for issuers, principles for collective investment schemes, principles for market intermediaries, and principles for the secondary market. I haven't gone through all 30 of them, clearly, but it was just to give you, actually to give me, and I think a lot of Albertans out there that don't usually deal in this sector an idea of what regulators are trying to do to reassure investors that the marketplace is being looked after, that it's being reliably run, that there are adequate resources there to monitor, enforce, and ensure compliance.

That's all consumer protection is. That's what you're trying to make sure is going on, that it's accountable and – sorry, let me flip that around – that it's transparent and that it's accountable. I think that's the base point, the starting point that you would want to see not only in securities but just about any other area you want to talk about, whether it's infection control or funeral practices. For those kinds of basic consumer protection standards, that's what you want to see in place. I think this bill is achieving that. I was satisfied by the explanation that I got from the staff that were kind enough to come over and give me a briefer of what this bill is for.

Now, the one thing that I didn't have time to do was a check with stakeholders to see if they had any specific feedback. That's where I'm lacking, so I will try and follow through on that and be able to check with some of the stakeholders that make use of this system and bring that back when we're in Committee of the Whole. But at

this point I'm satisfied enough to recommend to my colleagues that we support this Bill 38 in second reading, and I'm happy to give the floor to someone else at this point for further discussion on the bill.

Thank you.

The Acting Speaker: Do any other members wish to speak? The hon. Leader of the Official Opposition.

Dr. Taft: Thank you, Mr. Speaker. This bill comes to us at a very interesting time in global economic history. As the processes that led to this bill have unfolded over many years, I'm sure none of them anticipated that it would be hitting the floor of this Legislature and variations on it probably hitting the floors of Legislatures across the country at a time when the international credit and financial system is in something of a meltdown. My prediction is that, in fact, there'll be a lot of pressures to change the Canadian securities system over the next number of years. I think, frankly, although we've resisted them here to this point, the pressures to move to a single national regulator are not going to relent.

9:00

I think we're going to get caught up in a bit of a contrast between styles. In a typical position Canada is kind of like Europe and kind of like the U.S. The U.S. has very strong, centralized national regulators for things like securities, and I think they're going to find that that serves them very well. I think that while the Americans took a hands-off approach and allowed deregulation to get way out of hand in the financial markets and issues of securities and credit and so on, they do fundamentally have the institutions in place to rapidly reverse that and, indeed, have done that dramatically in a matter of two or three weeks. They are able to do that because they have a single national regulator.

Europe is facing a very different situation, an economy roughly equivalent to the U.S. but much more decentralized in terms of government and administrative control. I think the Europeans are going to struggle a lot more in coming to terms with the financial challenges that the world is facing right now because they don't have that single national regulator or, in their case, a single continental regulator.

Canada has come up with this strange concoction, this passport system, which is kind of a compromise. It will allow businesses wanting to raise capital in most provinces to apply and be accepted in one province and then have that in effect accepted by regulators across the country except, of course, in Ontario, which is 40 per cent of the Canadian economy. So there is a compromise there. We have local provincial securities regulators across the country trying to work together to pretend they're kind of a national regulator but none of them willing to give up their local provincial authority, so I don't know if this is going to work in the long term, particularly if there is a global move towards stronger national regulators for issues of credit and finance and securities and so on. I won't be surprised – it'll take a few years – if a few years from now we're back debating a significantly different approach to securities for Alberta. Time will tell.

In the meantime my general sense of this piece of legislation is that it's a step in the right direction. It will streamline work and activities for people dealing in securities, people raising capital. In Alberta that's actually a very significant sector. Calgary, in particular, has a very, very large financial sector. That's the home of the Alberta Securities Commission. Countless billions of dollars a year, at least until this year, have been raised through the Alberta Securities Commission, and if we can streamline that and bring it into line with other provinces, that's great.

I expect, Mr. Speaker, that this bill is going to make its way successfully through the Legislature and be a step in the right direction, but I also suspect this will not be the last step on this journey. Thank you.

The Acting Speaker: Any other members wish to speak?

Hon. Members: Question.

[Motion carried; Bill 38 read a second time]

Government Bills and Orders Committee of the Whole

[Mr. Mitzel in the chair]

The Deputy Chair: I'd like to call the Committee of the Whole to order.

Bill 30

Alberta Evidence Amendment Act, 2008

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

Ms Blakeman: Thank you very much, Mr. Chair. I'm pleased to speak in Committee of the Whole to Bill 30, the Alberta Evidence Amendment Act, 2008. There have been a fair number of my colleagues that have commented on this bill, I think all of them favourably, because this is just one of those good ideas that as soon as you look at it, you think: yep, that's where we need to go.

Just for anyone that hasn't been following along, this essentially is allowing people to make an apology without it carrying a legal liability along with it. It actually prohibits the legal liability from coming with it, so it would allow someone to be able to apologize, to show concern or compassion, to say, "I'm sorry this happened to you," without that apology then having a legal import and being used in a court of law to determine fault or liability or responsibility.

There have been a number of statistics that were quoted by my colleagues and by members opposite to show that often offering an apology would either reduce the number of lawsuits that were brought forward or actually reduce the amounts that people were seeking as pain and suffering compensations or would reduce the amount that people were willing to accept.

I would like to think that this is us veering back towards a more humane society. I think there's actually a lot of evidence to contradict me when I say that. I know there's quite a popular movie out in the movie theatres right now about how rude people are to each other.

Mr. MacDonald: That doesn't happen in here.

Ms Blakeman: Oh, yes, it does. But that's part of what our society is now. I think we have lost some of our humanity, and I think this bill takes a little tiny step towards restoring that.

The other piece of this that I found interesting. When I was the health critic I used to have fairly regular correspondence with an individual out of Calgary who was really promoting the idea of no-fault findings in medical problems, medical suits, well, just medical issues that had come up, medical incidents. The feeling was that if we adopted the same approach as they had in the airline industry – that was a new industry. When they started it, they said: "Okay. Listen. We're not going to get into a big debate about whose fault

it was. We're not going to spend all of our time saying who's to blame so we can pin it on them. We're not going to assign fault. We are going to spend all of our time trying to figure out what went wrong and then fix it so it doesn't go wrong again."

This individual and others that I've heard from along the same vein – and I agree with them – point out that they've been able to go a lot further in that airline travel industry to actually getting to the bottom of what the problems are and fixing them. If we were to have used a model more like that in the health sector, we would have been able to get to the bottom of a lot more reasons why things go wrong. There's a phrase that's used: adverse incidents, adverse effects. Those are the two phrases that you hear used in connection with things going wrong in the health sector.

This bill and the ability to apologize can be used in the context of a medical tragedy or accident. I think it would be interesting if we could take this a step forward and start to explore some parts of where we could take that no-fault idea – that's what's inherent in this, that we're not saying who's at fault; we're just allowing people to apologize – and take it that one more step into the investigation of adverse incidents in the medical field in the same way that they've done it with airline travel.

9:10

They've certainly been very successful at getting to the bottom of where things go wrong, whether it was in a particular kind of wiring, in a particular kind of insulation that tended to catch on fire and cause planes to crash, or hitting geese on the runway and all kinds of other reasons. They understand what goes wrong and what causes tragedy in that area, and they have been able to work towards fixing the problems that they've discovered much more effectively in many ways than we have in the medical sector because what we end up with there is more about protectionism.

I didn't mean to go on quite that long. I apologize for that because this is a good bill, and we really just wanted to pass it.

Dr. Taft: We won't hold your apology against you.

Ms Blakeman: Thank you.

Thank you for being able to speak to the anticipated effect of this bill in committee. We don't have any amendments that we want to bring to it. We just want to support the bill. Thank you very much.

The Deputy Chair: Any other members wish to speak? Are you ready for the question on Bill 30? The hon. Member for Edmonton-Strathcona.

Ms Notley: Sorry about that. I was going to speak to it in second, and the same kind of thing happened, so I appreciate the breath, and I will be quick.

I just want to rise and speak, in general, in favour of Bill 30. I do think that there is a great deal to be achieved through enhancing the opportunity for people to apologize and work things through. I think we did see some evidence of that when a dispute in the Legislature a couple of days ago was ultimately resolved with an apology.

More to the point, in my other life as someone who worked in labour relations and spent a lot of time dealing with conflict between parties day in, day out, it might surprise people to know that, in fact, our most typical and prominent advice in terms of trying to work out disputes was to suggest to the people who we were representing that they begin by taking responsibility for what may or may not have happened and apologizing as a mechanism for actually dispensing with a whole bunch of crystalized disputes down the road that just got bigger and bigger and bigger and more and more time consum-

ing as things went on. So I think the fact, of course, that it doesn't obviously bar anybody from pursuing a legal recourse should they choose to is an opportunity for people to try and work things out.

You know, as much as I think the legal profession, notwithstanding what other people may think, offers much to the way our society runs in many ways day in, day out, I do think that the threat of legal action does sometimes result in our taking somewhat illogical positions which sometimes defy the kind of common sense that would otherwise help people work things through.

With that very brief comment I'll just say that I am in support of the bill, and I appreciate the opportunity to speak to it.

The Deputy Chair: Are you ready for the question?

Hon. Members: Question.

[The clauses of Bill 30 agreed to]

[Title and preamble agreed to]

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

Hon. Members: Agreed.

The Deputy Chair: Opposed? That's carried.

Bill 31

Financial Administration Amendment Act, 2008

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

Ms Blakeman: Thank you. It's my pleasure to speak to Bill 31, the Financial Administration Amendment Act. Oh, yes, this is the omnibus bill. You know, there's more to this bill, and I know there's more to it. I just can't quite figure it out yet. This was the one that was repealing section 82, and my concerns were that in repealing section 82, two protections were being removed. My question was: are they somehow going to be reinstated somewhere else? I'm beginning to see that there actually might be a necklace of acts that are moving along here that are all pieces of the same chain.

Dr. Taft: Dismantling fiscal responsibility?

Ms Blakeman: Well, no. I think this is around the health care system.

This is talking about provincial agencies that are discontinued. And what provincial agency has been discontinued recently in this province? Well, let me see. Hmm. That would be – oh – the regional health authorities. Now we see a piece of legislation today, Bill 42 – 31, 42, maybe we'll end up with a 53. It's all part of a sequence of 11s. Serious conspiracy here.

Perhaps the President of the Treasury Board will be kind enough to answer my questions about where these protections have gone. Are they completely eliminated, or will they be reinstated in some other form? The provision that I wanted to note and that I had raised the questions about was the section that says: "The discontinuance of a Provincial agency does not extinguish any liabilities of the Provincial agency or relieve any person of an obligation the person has to the Provincial agency." That's now been wiped out.

To my mind what that says is that insistence that even though a provincial agency might be discontinued, its liabilities continue on

or anybody's obligation to it continues on, is not true anymore. The person's obligation doesn't have to continue, and the liabilities of the agency don't have to continue. I'm sure there are some people that have some legal liabilities that are registered with the regional health authorities that would be very upset to hear that their liabilities can just be wiped off the books like that.

The second piece was in the winding up or dissolution of a provincial agency. There are to be arrangements for any undistributed gifts, specific bequests or donations that were made to that provincial agency, and then it goes on to make arrangements for what should happen, that it should be administered by a successor organization or should go to the Crown to be distributed for the same purposes. My point was that we'd had a lot of bequests that weren't made specifically to the regional health authorities, and now Bill 42 talks about the Cancer Board, which is also being dismantled.

I was looking for reassurance that somehow these things would come back, and I didn't get it, Mr. Chairman. This is why I'm starting to see this as a necklace, but that may well become a ligature because this is what I'm starting to see. There are protections that are being removed, and then the next piece along is dismantling those organizations, but now the other protections that used to be there are no longer there. So what are the next couple of pieces in this string that could close around the neck of the public in Alberta? [interjection] The Deputy Premier is teasing me. He says there'll be some regulation, which of course would just launch me into my next 20-minute speech about how the government is putting far too many things under regulation, and of course we can't see it, and it allows them to change it all behind closed doors. I mean, I'm making light of it now, Mr. Chairman, but it's not something that should be made light of.

9:20

We are looking at fairly substantial changes to our health care system, and this is being done in a way that's not open and accountable. It's not something the people can get out and discuss in Tim Hortons and go: "Okay. I understand why this is happening, and now here is my opinion on whether I think it's the right thing or the wrong thing to do." That discussion is not taking place in Alberta. We went through an entire election campaign where the government produced absolutely no information on what its policy on health was going to be, yet they now stand up and say: we have a mandate from the public to do whatever we want on health care. That's absolutely not true. That was never raised during that election campaign, to say: "We plan on doing x, y, or z to the health care system. Let's put that out there during this election campaign, and you can decide whether you want to elect us based on what we plan to do to the health care system." That never came up.

Now what we're seeing are these very small, incremental pieces coming along. We can't get an explanation of how they fit into the whole system, but I'm starting to see that pattern, and no one will give me the answers back about it. I think there are serious problems here and not in any one given piece of legislation. Could I genuinely say, "Oh, I think this is the truly evil piece of legislation that is the nail in the coffin of public health care"? No, I can't say that based on what's actually written in Bill 31. But am I suspicious that this is part of a longer string of changes that at the end of them will be a significantly different health care delivery system, health care administration system, health care payment system? I think that's what's going on here.

Supposedly this is about taking out a sunset clause that states that all provincial agencies – yes, section 82 is basically meant to deal with the sunset clauses for all provincial legislation. In fact, the act goes through and amends seven other bills by arbitrarily saying: this

act is continued now. I think that in most cases it's to 2013. Yes, December 31, 2013. The original change was to '04 and then to '09 and now to 2013. But I think there's something else that's going on here, and I'll be very interested to see how this progresses once we've had some time to look at Bill 42, which just came out today. I haven't had a chance to read it, but I did notice on the first page there that it was about dismantling the Cancer Board and AADAC.

I'm saying on the record that I'm willing to support this bill, but I'm also stating pretty clearly that I have deep reservations about what this connects to and how this works with what the government plans to do and what the current minister of health plans to do with our health care system. It's not tracking well for me.

Thanks very much, Mr. Chairman.

The Deputy Chair: Any other members wish to speak? The hon. Member for Edmonton-Gold Bar on Bill 31.

Mr. MacDonald: Yes. Thank you very much, Mr. Chairman. Certainly, I am anxious to participate in the discussion on Bill 31 at this time. I had a number of questions that I put on the record at second reading, and I'm disappointed that members of the government benches don't appear anxious at this time to try to answer my questions or reassure me that I should support this bill. I, unlike my colleague from Edmonton-Centre, have reservations about this bill, and I certainly will not be supporting it unless my questions are answered.

Now, earlier in the day during the daily Routine, Mr. Chairman, I tabled for the benefit of the Assembly and, hopefully, for the entire province the Public Agencies Governance Framework, which, as I understand it, is supposed to be put through in legislation in the spring of 2009. When this happens, section 82 of Bill 31 will be redundant.

Now, when we look at this bill and we look at the definition of a provincial agency or a provincial corporation or, for that matter, a provincial committee, we need to have a good look at this trio of definitions and what they mean or what they do not mean for health care delivery in this province. We also have to look at section 82 and its relationship with sections 80 and 81. I went on at length and in detail, and I may have confused the President of the Treasury Board – I'm not sure; I didn't mean to do it intentionally – in second reading with my questions. I fully expect answers regarding those questions.

Incredibly, the government is already using the public agencies governance framework as a legislative authority. They're using it, Mr. Chairman, in the memorandum of understanding on health care reorganization or centralization or privatization. Take your pick. I pick privatization because that's the ultimate goal or the silent scheme of this government: to contract out health care. This is not the first step in the privatization of our health care. It won't be the last. It's not a baby step; it's a big step.

However, Mr. Chairman, the public agencies governance framework is also quoted extensively in a report by Mr. Don Hamilton, the Ethics Commissioner. He uses this framework in his discussion in his final report on the allegations involving the appointment of Paddy Meade, former Deputy Minister of Health and Wellness, to the position of executive operating officer, continuum of care division, Alberta Health Services.

The Deputy Chair: Hon. member, are we still working on Bill 31?

Mr. MacDonald: We certainly are, Mr. Chairman. The reason, if you want some clarification, is that the public agencies governance framework is supposed to take the place of section 82 of this bill. It certainly is relevant.

The point is that the Ethics Commissioner, an officer of this Legislative Assembly, is already using this. The minister of health is already using it. According to my research the reason why we're pulling section 82 is because we have this framework. The Legislative Assembly hasn't even dealt with this framework and, according to this government's statements, is not to deal with this until next year. Certainly, there are a lot of questions here regarding this, and they are going unanswered by members across the way, much to my disappointment.

9:30

Now, the Public Agencies Governance Framework in the introduction on page 3 indicates that "agencies (including boards and commissions) are established by the government to fulfill a range of services . . . including: provision of health care." For the purposes of the framework agencies were defined as "a board, commission, tribunal or other organization." When we look at section 82 of the Financial Administration Amendment Act, that deals with the discontinuance of the provincial agencies, Mr. Chairman, there's also a sunset clause here within this section that states that all provincial agencies other than specified exemptions are discontinued on the 1st of January 2009.

When we look at these – and I'm not going to list them – how the Alberta health authority will fit into this is a good question. This is why answers to our questions at committee should be honoured by the government members. Now, what is the exact status of the Alberta Health Services Board? I'm going to quote from the Ethics Commissioner's report: "The exact status of the AHSB was not clear to me and further correspondence was exchanged with the AHSB on this matter. A further response was received from the AHSB that clarified the legal status of the AHSB."

I'm not going to go through this in detail, Mr. Chairman, but currently the Alberta health region, the AHR, is not in existence as a legal entity or otherwise. It will be effective April 1, 2009, because of the ministerial order that was signed by the hon. minister of health. The original was signed on May 15, 2008. Now, that will be set up because, of course, we're taking the eraser to the regional health authorities, and we are blending them all into one, East Central. Now, the Alberta health authority, which is different than the Alberta health region, is not in existence either, and the same ministerial order will provide that outfit with an authority to operate. Alberta Health Services, it is noted, is a trade name. So what exactly are these entities? What are they now? What are they going to be? Are they a provincial agency, are they a provincial committee, or what? That's where we come back to this bill and this amendment in section 82.

The questions that we asked are fair. They're in detail, and I feel that the government has an obligation during committee to provide an answer. It is incredible to note that this government would be taking a document like this framework – I'm sorry?

Mr. Stevens: I've got some answers.

Mr. MacDonald: You've got some answers. Great. Well, I'm going to cede the floor to the hon. minister of intergovernmental relations, and the hon. gentleman is also the Deputy Premier. If anyone on that side of the House has answers, it would be him, and I will be confident in his response. So, Mr. Chairman, I'm going to cede the floor and, hopefully, get some answers from the hon. Member for Calgary-Glenmore.

Thank you.

Mr. Stevens: Well, Mr. Chairman, it's my pleasure to rise and make some remarks that have been provided to me by the hon. President of the Treasury Board, whose bill this is. I do believe, in listening to the hon. members comment on some of their concerns, that these will provide answers at least to some of the points raised.

One of the government's responsibilities is to ensure that provincial agencies continue to fill a role in achieving provincial goals. The bill itself streamlines this process by repealing section 82, which currently has many of the agencies discontinued at the end of each successive five-year period. Based on section 80(3) of the Financial Administration Act, a provincial corporation shall not be dissolved without the approval of the Lieutenant Governor in Council. Typically, in such regulations necessary provisions are put in place with respect to the transfer of assets and liabilities of the corporation to be dissolved.

It should be noted that by virtue of section 2(5)(h) of that act regional health authorities are not subject to section 82; therefore, the comments relating to the liabilities of RHAs do not appear to be correct. RHAs are to be transitioned into a new board by a different bill to be introduced.

This I don't understand – I think I missed this part of the debate – but I'm informed by the hon. President of the Treasury Board that notwithstanding substantial investigation he was unable to find the word "hinky" in the *Oxford English Dictionary*.

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

Mr. MacDonald: Thank you. I have a question, please, for the hon. member. Why, then, is the repeal of section 82 of the Financial Administration Act coming now, when the new legislation that is going to incorporate this framework will make it redundant? Why are we doing this now, before the framework is legislation, and not after?

Another question I have: were sections 80 and 81 not applicable to section 82 of the FAA?

Mr. Stevens: Mr. Chairman, I don't have specific answers to those questions, but what I will do is advise the hon. minister responsible for the legislation that there may be some outstanding questions arising as a result of comments by the hon. members of the opposition this evening. I'll ask him to have them reviewed, and perhaps in a later debate he'll be able to come forward with some explanation.

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

Mr. MacDonald: Thank you. I look forward to that and appreciate it.

The Deputy Chair: Any other members wish to speak?

Hon. Members: Question.

[The clauses of Bill 31 agreed to]

[Title and preamble agreed to]

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

Hon. Members: Agreed.

The Deputy Chair: Opposed? That's carried.

9:40

Bill 32**Meat Inspection Amendment Act, 2008**

The Deputy 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 rise in Committee of the Whole to make some comments on Bill 32 on behalf of the hon. Member for Battle River-Wainwright. The Meat Inspection Amendment Act, 2008, proposes to transfer the inspection authority over mobile butcher facilities from Health and Wellness to Agriculture and Rural Development.

As background, Mr. Chairman, a mobile butcher facility is where a mobile butcher will be able to prepare, package, and store meat from an animal that has been slaughtered on the owner's premises, in a provincially licensed abattoir, or in a federally registered establishment. Currently the meat inspection legislation administered by Agriculture and Rural Development only provides authority for licensing mobile butchers as individuals. Currently regulatory oversight of mobile butcher facilities is under the Public Health Act and the food regulation administered by Health and Wellness.

Bill 32, Mr. Chairman, sets a basis for regulatory changes that will support Agriculture and Rural Development's licensing and inspection of mobile butcher facilities. Agriculture and Rural Development will then have legislative authority over both the mobile butcher as an individual and the mobile butcher's facility. We're working towards a single-delivery system under the authority of Agriculture and Rural Development.

Bill 32 aligns with the Auditor General's recommendations, Mr. Chairman, to eliminate gaps in food safety coverage, aspects of which dealt with mobile butchers and the consistent administration of the meat facilities' standards.

Mr. Chairman, I'd like to respond to the questions and comments received during second reading of Bill 32.

The hon. Member for Edmonton-Riverview expressed concern with repealing section 3 of the Meat Inspection Act. The repeal was perceived to limit the authority of public health officers, and I'm happy to report that this is not the case. In response I'd like to assure all hon. members that the proposed repeal of section 3 is merely housekeeping. The authority of public health inspectors is granted in accordance with the Public Health Act. The authority under that act, Mr. Chairman, exists today and is in no way intended to be impacted by Bill 32. Agriculture and Rural Development officials consulted with Health and Wellness officials to determine that authority currently provided by section 3 is no longer needed nor has been used in the past.

The system of food establishment permits under the Public Health Act's food regulation currently provides public health inspectors with the authority to inspect mobile butcher facilities. Public health inspectors also have broad inspection authority under section 59 of the Public Health Act, Mr. Chairman. Section 59 authorizes public health inspectors to conduct inspections for the purpose of determining the presence of a nuisance. Section 62 of the act provides authority for public health inspectors to issue orders to address nuisance concerns. As you can see, section 3 is being repealed due to its redundancy, and I trust, hon. member, that this fully addresses your concerns.

The hon. Member for Edmonton-Centre was seeking definition of a peace officer, and she also inquired about qualifications and training of peace officers and sheriffs. Mr. Chairman, the Peace Officer Act defines a peace officer. I won't read that into the record due to the time constraints, but I would refer the hon. member to that statute and also the extensive information regarding this matter on

the website of the Alberta Solicitor General and Public Security. I believe we've had some extensive discussions in this House this week about the actual responsibilities of peace officers under the act.

In summary, there are a number of peace officers appointed, ranging from a community peace officer up to an Alberta peace officer level 1. Meat inspection legislation is enforced by inspectors appointed by the minister, Mr. Chairman. Now, these inspectors are appointed at the level of peace officer 2, which is appropriate for a peace officer who possesses specialized knowledge applicable to a particular subject matter. Peace officers at level 2 are well trained to conduct enforcement under the particular provincial statutes.

Mr. Chairman, several members also expressed concern for food safety issues, such as the recent listeriosis outbreak, E coli concerns and the BSE crisis, and testing for chronic wasting disease. I'm happy to report that Bill 32 responds to these concerns. Agriculture and Rural Development's authority over mobile butcher facilities as proposed by Bill 32 is beneficial from a food safety perspective. I can assure all hon. members that Agriculture and Rural Development is diligent in ensuring that appropriate procedures are in place to mitigate the risk of meat or meat products being contaminated. Provincially inspected meat processing facilities adhere to strict manufacturing and food safety practices, and it is worth noting that there has not been a case of listeriosis in Alberta linked to a provincially inspected facility.

Members also raised the issue of the BSE crisis in the United Kingdom, here in Alberta, and BSE testing of meat. In response, I can advise that Agriculture and Rural Development partners with the Canadian Food Inspection Agency to support the extensive BSE surveillance program.

The hon. Member for Calgary-Mountain View inquired if meat is tested for chronic wasting disease before the meat enters the food chain. Agriculture and Rural Development tests for CWD in each deer and elk slaughtered in provincial facilities.

Mr. Chairman, another question from the hon. Member for Edmonton-Riverview questioned the tiered approach, with a federal meat inspection standard being different from the provincial meat inspection standard. I appreciate that members opposite are seeking consistency and harmonization of standards. I believe that's a good thing. Agriculture and Rural Development shares this perspective and is working with federal and provincial counterparts to possibly achieve this goal. Bill 32 does not address harmonization as the legislative change needed is federal. It is the Meat Inspection Act, which is federal, that needs to accommodate the vision of harmonizing standards across the country.

I believe, Mr. Chairman, that answers most of the comments raised, and I look forward to further comments and support from members present. Thank you.

The Deputy Chair: The hon. Leader of the Official Opposition.

Dr. Taft: Thank you, Mr. Chairman. I appreciate the time and effort taken by the Member for Leduc-Beaumont-Devon to address the issues that we've raised on this concern. I had come this evening with an amendment. However, I am going to hold this amendment until we have an opportunity to see if all of our concerns are addressed in the comments that we've just heard. I think there may be another amendment coming forward from other directions. In the spirit of co-operative advancing of the issue and efficient use of our time – I know we all love it in here, but there are limits – I'm prepared to hold off on this amendment and, I think, move adjournment.

Thank you.

[Motion to adjourn debate carried]

Bill 33
Agriculture Financial Services
Amendment Act, 2008

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

Mr. Rogers: Thank you, Mr. Chairman. It is my pleasure to rise this evening in Committee of the Whole to present some comments on Bill 33, the Agriculture Financial Services Amendment Act, 2008, on behalf of the hon. minister of agriculture. I'd like to respond to concerns expressed by members opposite during second reading debate.

Moving the financial limitation currently at section 29(1) of the act to the regulations provides for a consistent approach to such limitations. The present section 9(2) of the Agriculture Financial Services regulation limits the total amount of loans or guarantees issued by Agriculture Financial Services Corporation, also known as AFSC, for a project to \$10 million or 80 per cent of the value of the project. Limitations such as the individual limit and the project limit are best situated in the regulations. I'd like to assure all hon. members that any amendment to a regulation must be supported by a business case and undergo appropriate approvals in order to be enacted. The limit, which is a cumulative amount for outstanding loans to one borrower, has increased over the existence of the corporation from \$500,000 to \$1 million and currently to \$2 million.

9:50

Flexibility is needed to meet the evolving needs of agricultural producers and the AFSC's growing mandate to provide a consistent source of capital for Alberta's farmers, agribusinesses, and other small businesses such as the capital requirements for financing intergovernmental transfers of farms to young farmers, which has significantly increased recently, and I think we want to encourage young farmers to continue the tradition of producing in our agricultural sector. With escalating land values, equipment, and input costs – and, Mr. Chairman, I don't have to tell you about volatile commodity prices – all farmers require a consistent and increasing source of capital. AFSC will continue to utilize its normal monitoring and audit procedures to determine the appropriate level of financial assistance to be granted.

Overall lending arrears, Mr. Chairman, are currently at an historic low, and that's a good sign in these times. They're at 1.4 per cent of the total loan portfolio, down from 1.8 per cent for the fiscal year 2007-2008 and a further 2.4 per cent for fiscal year 2006-07. These arrears compare very favourably to other financial institutions.

The second key amendment put forward in Bill 33 is providing AFSC to deliver a livestock insurance program through the use of the term "agricultural product insurance." An agricultural product, Mr. Chairman, is defined to mean a crop or livestock.

The issue of using marketing boards was raised in second reading by the hon. Member for Edmonton-Riverview. I'd like to advise the hon. member that the AFSC has been working together with the Alberta Beef Producers and other industry organizations to develop the cattle price insurance program, or CPIP. These organizations will provide marketing and promotion of CPIP to the cattle industry. CPIP will be offered to Alberta producers on a nonsubsidized basis, with the government of Alberta paying the administration costs and providing the financial backstop. I can advise the member that to be eligible to purchase this insurance, the producer must – and I stress must – be an Alberta farming taxable entity, and the animals must be located in and fed in Alberta.

The insurance product will provide an effective risk management tool for Alberta cattle producers, and it will contribute to greater

stability in our livestock industry. The potential benefits are recognized by the ministry and reflected in the Alberta livestock and meat strategy, which was released on June 5 of 2008. Mr. Chairman, CPIP is unique. Alberta would lead other jurisdictions in developing and implementing this innovative solution created through a partnership with industry. CPIP will enhance the capacity to protect cattle producers from the risk of a decline in market prices.

The policies can be bought each day as a new Alberta forecast market price is set. Premiums will vary according to policy length and coverage level selected. Premiums would be entirely – and let me stress again, Mr. Chairman, entirely – producer funded. Now, this reduces the risk of countervail action from trade partners and is non market-distorting, an issue, again, raised in second reading by the hon. Member for Edmonton-Riverview. The intent is to build a reserve fund over time. The initial period until such fund is built would be backstopped, again, by the government of Alberta. Other livestock groups may request similar products, and the AFSC will examine the feasibility of offering similar programs for other commodities as those needs arise.

Finally, Mr. Chairman, Bill 33 proposes to make a few minor housekeeping amendments. One of the housekeeping changes is to increase the penalty at sections 46(6) and 46(7). As well, Bill 33 would remove the transitional provisions at sections 67.1 and 68.

Mr. Chairman, in response to some of the discussion and the questions that we've heard, I would like to move an amendment at this time. I would ask that the amendment be circulated.

The Deputy Chair: We will take a moment to have the pages please circulate the amendment.

Mr. Rogers: Mr. Chairman, it seems that most members have received the amendment. I'm proposing to amend section 3 of Bill 33, which amends section 20 of the act, to revise the wording as follows. I'll just read the amendment for the record.

The Bill is amended as follows. Section 3 is struck out and the following is substituted:

3 Section 20(b) and (c) are repealed and the following is substituted:

- (b) to meet its obligations with respect to the business of providing insurance under Part 2, Division 2, other than agricultural product insurance or revenue insurance covered by advances to the Corporation pursuant to section 21 or 22,
- (c) to meet its obligations with respect to the provision of compensation programs or plans under Part 2, Division 2.

The Deputy Chair: We will call this amendment A1. Do you wish to speak to the amendment?

Mr. Rogers: Thank you, Mr. Chairman. The amendment clarifies the appropriate . . . [interjection] Sorry?

The Deputy Chair: Hon. member, do you want to flip your laptop down? You're actually cutting off your microphone. We can't hear you.

Mr. Rogers: Oh, my apologies. Thank you, Mr. Chairman. The amendment clarifies the appropriate funding sources for the various programs, and again that was something that was raised in the discussions in second reading. The amendments to section 20 currently proposed in Bill 33 could be interpreted to leave a gap in the funding for AFSC's provincially funded programs.

The potential gap was identified as a result of the change of the term "crop insurance" to "agricultural product insurance." Again,

in my comments earlier, I referred to the definition of the product to mean crop or livestock. Agricultural product insurance includes the livestock insurance programs such as the proposed CPIP and also the existing hail insurance programs. Hail insurance programs, Mr. Chairman, that are not funded through the federal-provincial agreements need to be included. That is the rationale for the amendment now before the House for consideration.

Mr. Chairman, I encourage all hon. members of this House to give their full support to the amendment and subsequently to the amended Bill 33. Thank you.

The Deputy Chair: Any other members wish to speak to the amendment? The hon. Leader of the Official Opposition.

Dr. Taft: Yes. I appreciate the comments that we've just received. I'm looking at this amendment. First of all, it raises a concern for me about the drafting of the bill that we're seeing an amendment come forward. It suggests that, obviously, the first draft wasn't felt to be adequate. But when I read this amendment, recognizing I've only seen it for about four minutes here, it actually seems to me to shift the meaning of section 20(b). Right now 20(b) reads: "to meet its obligations with respect to the business of hail insurance carried out under Part 2, Division 2." So it's very specific to hail insurance. The gist of this section is that the Lieutenant Governor in Council may on virtually any conditions it wants authorize the minister of finance to advance to the corporation from the general revenue fund money required for the purposes, in this case, of delivering hail insurance. That's how I'm reading this.

10:00

Now, what we're changing this to by this amendment is that it no longer refers to hail insurance. Again, I believe I'm in the right section here. It talks about meeting its obligations "with respect to the business of providing insurance under Part 2, Division 2, other than agricultural product insurance." I am wondering if the Member for Leduc-Beaumont-Devon, at this point or perhaps another day in this debate, can explain to me more fully what is meant by this amendment when it refers to "other than agricultural product insurance or revenue insurance covered by advances to the Corporation."

I mean, we're getting this right now with no background to it, and I'm just concerned that we're leaving a door open for something dramatically larger than providing hail insurance. I might be wrong about that. If it's simply defined as a business other than agricultural product insurance, it's pretty wide open. In fact, it seems unlimited to me, so I need some explanation here.

The Deputy Chair: The hon. member.

Mr. Rogers: Well, thank you, Mr. Chairman. I will attempt to answer this the best I can, and if I don't satisfy the hon. member, then I will attempt to have the information provided during third reading. From the comments that I made earlier, hon. member, the current act as it reads – and you read it earlier – refers specifically to agricultural products. The change here is intended to refer to a crop, a crop not to be limited to agricultural products – namely, grains, cereals, and what have you – but also to refer to livestock.

Part of what we're working towards here is an insurance program for livestock that would be producer-funded. What's being attempted here is to take out the reference specific to agricultural products, which is limited and does not reflect livestock in the current act as we read it.

That's my best explanation, hon. member. Thank you.

Dr. Taft: But I'm reading this differently. If you go earlier in Bill 33, under the definitions, you will see it says very clearly that "agricultural product" means a crop or livestock." If we are looking at expanding it to crop or livestock, that's one thing, but the way I'm reading this amendment, it says, "other than agricultural product insurance." So what's up?

I see the Member for Rocky Mountain House nodding. Maybe he knows something here.

It just seems to me that we're leaving this wide open. I would happily adjourn debate rather than defeating or passing the amendment. Let's see what goes on here.

Thank you very much.

[Motion to adjourn debate carried]

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

Mr. Zwozdesky: Thank you, Mr. Chairman. I would move that the committee now rise and report bills 30 and 31, those being the Alberta Evidence Amendment Act, 2008, and the Financial Administration Amendment Act, 2008, and otherwise report progress on bills 32 and 33.

[Motion carried]

[Mr. Mitzel in the chair]

The Acting Speaker: The hon. Member for Calgary-Hays.

Mr. Johnston: Thank you, Mr. Speaker. The Committee of the Whole has had under consideration certain bills. The committee reports the following bills: Bill 30 and Bill 31. The committee reports progress on the following bills: Bill 32 and Bill 33. I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

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

Hon. Members: Concur.

The Acting Speaker: Opposed? That's carried.

The hon. Deputy Government House Leader.

Mr. Zwozdesky: Thank you very much, Mr. Speaker. It has obviously been a very productive day and evening. On that note, I suggest that we adjourn until tomorrow at 1:30 p.m.

[Motion carried; at 10:07 p.m. the Assembly adjourned to Wednesday at 1:30 p.m.]

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