



Province of Alberta

The 27th Legislature  
First Session

# Alberta Hansard

Tuesday evening, November 18, 2008

Issue 49e

The Honourable Kenneth R. Kowalski, Speaker

# Legislative Assembly of Alberta

## The 27th Legislature

First Session

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Mitzel, Len, Cypress-Medicine Hat, Deputy Chair of Committees

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[Errata, if any, appear inside back cover]

## Legislative Assembly of Alberta

7:30 p.m.

Tuesday, November 18, 2008

[The Deputy Speaker in the chair]

**The Deputy Speaker:** Please be seated, hon. members.

### Government Bills and Orders Second Reading

#### Bill 40

#### Child, Youth and Family Enhancement Amendment Act, 2008

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

**Mr. Dallas:** Thank you, Mr. Speaker. It's a pleasure for me to rise today to move second reading of Bill 40, the Child, Youth and Family Enhancement Amendment Act, 2008, on behalf of the hon. Minister of Children and Youth Services.

Mr. Speaker, it is often said that children and youth are our future, that they are a precious resource we must protect, that we must ensure that they have the supports they need to grow into strong and healthy adults prepared to embrace the challenges our communities, province, and country will face in the future. These statements are often said because they are true.

Parents and guardians are responsible for caring for their kids, but the reality is that in some cases they are unwilling or unable to provide a safe, secure, and nurturing home for them. When a parent or guardian places the safety and well-being of a child at risk due to abuse or neglect, Alberta Children and Youth Services must intervene either by providing support to the family or removing the child from the situation. This year nearly half of the Alberta Children and Youth Services \$1.1 billion budget is being invested in intervention services under the province's Child, Youth and Family Enhancement Act.

The amendments we are discussing today will serve to further strengthen and support the existing act. They are being brought forward to provide clarification in a number of areas to ensure that children, youth, and families receive the most effective services and supports possible. The proposed adjustments to the current Child, Youth and Family Enhancement Act also address procedural and administrative matters. Mr. Speaker, the legislation being put forward this evening will help ensure that the act remains up to date. Both the philosophy of how Alberta Children and Youth Services works with families and the legislation which governs this work have evolved over time. I'd like to speak a bit about that now.

Introduced in 2004, the Child, Youth and Family Enhancement Act was and continues to be leading-edge legislation. It was enacted with the goal of supporting children, youth, and families while keeping them protected and safe. Its focus is on early intervention, supporting healthy families, and ensuring that children grow up in safe and nurturing homes. Mr. Speaker, the enhancement act is the foundation on which the child intervention system in our province is built. It is important because it fulfills many roles.

The Child, Youth and Family Enhancement Act is the legal authority for providing child intervention services in Alberta. It specifies circumstances under which a child may be in need of intervention. The act guides caseworkers in their work with families and helps to ensure that a child will only be removed from their home if other less intrusive measures are not sufficient to protect the child. It also includes provisions for strengthened collaboration and cultural planning to meet the needs of First Nations and Métis

children and families. The act requires that child intervention staff work quickly to find safe permanent homes for children if they need to be removed for their safety or protection and their return to their parents or guardians is not possible. The act also requires that children, youth, and families be involved in decision-making.

Most importantly, it is meant to respond to the needs of today's families, Mr. Speaker. For that reason changes to the standing legislation have been considered very carefully before being presented to the hon. members of this Assembly in the form of Bill 40. The amendments reflect best practices in the ministry and the province as a whole in the area of providing supports and service to at-risk children and families. Since it was proclaimed in 2004, staff of Children and Youth Services have monitored the effectiveness of the act and have provided input on how it can be enhanced. As a result, a number of amendments are being brought forward today to make this statute even stronger. In light of time constraints, I will not go into detail on each of the specific changes included in the bill but would like to highlight a few for the hon. members of this Legislature.

Mr. Speaker, I would like to begin by speaking about a proposed amendment that some have misinterpreted: the provision that would enhance the privacy for children and youth receiving services from the Child and Youth Advocate. This amendment would prevent a child's or a youth's individual advocate file from being disclosed to a third party unless the child gives permission for it to be released or the minister authorizes its release. The purpose of this amendment is to provide children and youth in care with the assurance they need to speak freely and openly with the advocate. This is a change that the advocate recommended himself over a year ago based on comments he heard from children and youth who were worried that the comments they make in confidence about their parents or siblings might end up being heard by those family members if their file is disclosed to a third party through litigation or a fatality inquiry.

Children and youth who are upset or angry can sometimes make comments about a parent, sibling, or other family member that they might not really mean and later regret. That can happen in situations when a child is telling their advocate how their situation makes them feel. What this amendment does is ensure that comments made to the advocate about a family member, which could negatively impact a child's or youth's relationship with their family down the road, remain confidential.

I would like to give you a real-life example of when this happened in the past. The advocate was providing services to a youth who made comments about how he felt about his parent drinking alcohol, and that information was placed in the advocate's file. The parent later launched a lawsuit against the ministry, and the parent's lawyer was able to access the youth's personal advocacy file to prepare for the court proceeding. The comments that the youth made to the advocate ended up being disclosed to the parent by her lawyer. The parent was furious that the youth would speak to someone else about what the youth perceived as her troubles with alcohol. When the youth wanted to reconcile with his parent later on, the information from the advocate's file that had been disclosed to the parent made it very difficult for them to repair their relationship. Preventing situations like this from happening is why this amendment is being brought forward.

So far I've talked about what this amendment aims to achieve. I also want to discuss what will not change with this amendment. First, the amendment will not prevent a child's or a youth's personal child welfare file from being disclosed during litigation, such as a lawsuit or a fatality inquiry. It is important to understand that advocacy files and child welfare files are completely separate files.

A child welfare file, which covers all of the involvement the ministry has had with a child or youth, would still be accessible during a lawsuit or inquiry, the same as it is today.

The amendment also does not change the advocate's obligation to report to the ministry if a child or youth discloses information that they have been abused or neglected while they were in the care of the government. The advocate would continue to be required to report such allegations, which would then be investigated by the ministry. Of course, all of the results of that investigation would be part of the child's or youth's child welfare file, which I have already said could still be accessed by third parties for litigation purposes.

Finally, the amendment does not prevent the public from accessing nonidentifying information from the advocate's office through FOIP. One example is the advocate's quarterly reports, which were recently publicly released through FOIP. The public, the opposition parties, and the media could continue to access these reports through a freedom of information request because they are not an individual child's or youth's advocacy file. Also, the amendment should not change the kind of information currently contained in the quarterly reports.

I hope that this provides clarity on the intent of this amendment. I encourage everyone to take a close look at the amendment before they jump to conclusions and raise fears that are not based on facts.

Mr. Speaker, I would now like to speak about supports and services for aboriginal children in care. As members are aware, the majority of children in our care are aboriginal children. In fact, while these children represent 9 per cent of Alberta's child population, approximately 59 per cent of children in our care are aboriginal. Further amendments to the act recognize this fact and will help these children maintain ties to their culture by requiring that cultural connection plans be developed and filed with the court when aboriginal children are permanently placed. These cultural plans will reinforce the importance of sustaining a child's aboriginal heritage. Alberta's aboriginal community is strong and vibrant. I believe this amendment will be a positive one to help keep aboriginal communities strong for future generations.

Another amendment that will enhance an aboriginal child's connection with their community involves placing an obligation on individuals who assume private guardianship of a First Nations child to ensure that the child's aboriginal rights are exercised and respected. Currently when an Indian child is adopted, the adoptive parents must ensure that the child's rights as an Indian are exercised. This refers to their legal rights, especially their right to treaty status. Adoptive parents must also inform the child of his or her status as an Indian. When an adoption order is made, the court must make the adoptive parents aware of these obligations. Private guardianship also provides a permanent home for a child. Amendments are being proposed to ensure that the same obligation to exercise the child's rights as a status Indian are in place for private guardianship placements.

7:40

Amendments to the legislation will ensure that the responsibility for the final decision about the placement of a child or a youth lies with the ministry's director of child welfare, who is ultimately liable for the placement decision. It also helps make certain that decisions such as those concerning the placement of a child in a foster home or a residential facility can be confirmed by the panel or sent back to the director to be reconsidered by a senior ministry official who was not the original decision-maker. This will ensure that the matter is thoroughly and appropriately reviewed, and these changes will continue to allow for decisions made on behalf of children in care to be scrutinized.

Another planned amendment addresses access to the justice system in rural and remote areas of the province by enabling the use of video conferencing for various court hearings. Mr. Speaker, facilities for video conferencing are becoming increasingly available and can be a great tool to help address the difficulty that courts in rural areas sometimes experience in meeting timelines outlined in the act regarding court appearances. Use of this technology also has a potential to cut costs, such as travel, for all parties involved.

A further proposed adjustment to the current legislation under section 4 will bring the legislation into alignment with the delivery services under the casework practice model. This model gives staff tools and resources to provide child-centred and family-focused services through assessment and solid analysis of a child's and family's unique situation. Its purpose is to provide the best possible outcomes for children, youth, and families. Originally when a report was received that a child may be in need of intervention services, two steps were followed: an assessment of the child's need for intervention, followed by the requirement that the director investigate. The amendment eliminates the two-step process. Now the assessment is included as part of the investigation.

The next changes I'm going to highlight are more procedural and administrative in nature but also serve a purpose in strengthening the current act. Changes are being made regarding the collection of personal information by the director. With the proposed amendment, Mr. Speaker, public bodies, such as schools, will be able to disclose personal information to the director for the purpose of conducting an assessment or investigation of suspected child abuse or neglect.

Another amendment recognizes the current process used for retaining lawyers to represent children involved in child intervention matters. Members may not be aware, but the office of the Child and Youth Advocate has a program, the legal representation for children and youth program, designed to ensure that children and youth receive child-friendly and timely legal advice regarding child intervention matters. The program is working well to meet the needs of the children that Alberta Children and Youth Services serves. The proposed amendment will reflect that the appointment of a lawyer will be carried out through the new program rather than by the Minister of Justice or Legal Aid.

A further amendment to the legislation allows for an appeal of the director's decision regarding eligibility for benefits under the child and youth support program. This program provides financial and medical benefits for children and youth whose parents or guardians are unable to care for them. The amendment will give individuals who are affected by these decisions an opportunity to have the decision reviewed.

The amendments will also require the licensing of any facility that provides residential care to children who are in the care of other provincial or territorial child welfare authorities. The definition of residential facility in the current act will be amended so that all residential facilities for children in Alberta will be licensed by the province.

A further example of where the amendments clarify existing legislation is under the supports for permanency program. The amendment in this area removes the requirement that an adoption or private guardianship must place an undue financial burden on guardians in order for them to qualify for the program. The program helps to offset the extra costs of care, and the proposed changes will ensure families providing a permanent home to a child are able to access the program.

Another example of where amendments will help to clarify the current statute is under the section addressing emergency care. There has been confusion over whether a child had to be appre-

hended before being the subject of emergency care. The amendment clarifies that when a child's parents or guardians are temporarily incapacitated, the child does not have to come into government care before being placed with an emergency caregiver such as an extended family.

Changes such as these will serve to update the legislation to help keep it current. In terms of putting the Child, Youth and Family Enhancement Amendment Act, 2008, into practice, members should note the proclamation date for the bill. In order to ensure the act and the casework practice model are aligned, the date for the section of the bill referencing the model will be proclaimed before other sections that require more time to roll out.

Mr. Speaker, this bill and its amendments are another way the government of Alberta is working to support strong children, youth, families, and communities. Alberta Children and Youth Services is continuing to strive to improve services and create better outcomes for the people they serve. I believe this is a strong statute with an important function. These amendments are based on nearly four years of feedback from Children and Youth Services staff since the enhancement act came into effect. It is a response to what front-line workers, casework supervisors, and managers have told the ministry will help them provide the best possible services and care for children and families. Ultimately, these changes will help caseworkers spend more of their valuable time working with children, youth, and families, finding solutions. That's good news for Albertans.

I hope all members will join with me in support of Bill 40, the Child, Youth and Family Enhancement Amendment Act. I look forward to the upcoming discussion and members' comments. Thank you, Mr. Speaker.

With that, I move adjournment of debate.

[Motion to adjourn debate carried]

#### Bill 48

#### Alberta Corporate Tax Amendment Act, 2008

[Adjourned debate November 17: Mr. Johnson]

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

**Mr. Renner:** Thank you, Mr. Speaker. Yesterday when this bill came forward, I sought and received unanimous consent of the House to allow a government member to be the second speaker on this bill on the condition that the 20 minutes normally reserved for the second speaker would be allocated to the third speaker. Tonight I rise to again seek unanimous consent of the House to allow the third speaker on Bill 48 to have up to 20 minutes to speak. I must also advise the House that I have had confirmation from both the opposition House leaders that they are in concurrence with this motion.

[Unanimous consent granted]

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

**Ms Blakeman:** Thank you very much, Mr. Speaker, and thank you to the Government House Leader for following through on the arrangement that we had made. I'm glad it worked out for both sides.

I am here to speak on Bill 48, the Alberta Corporate Tax Amendment Act, 2008. This is a bill that we see regularly before this Assembly, pretty much every year, because it keeps adjusting itself based on what the feds have done. So we have it back in front of us, and there are a couple of little extra twists in it this time. There's a

scientific research and experimental development tax credit that's been added in, and I'm thinking of that as sort of a knowledge-based economy booster because I hope that that will be the effect of it.

7:50

We also have the whoops or uh-oh clause that's in here. Many years ago I ran a lawn maintenance company. I had a couple of guys that worked for me, and I always used to dread hearing one of those two words from them. I could never determine whether whoops was worse than uh-oh, but it usually meant that something had gone wrong, not complete catastrophe, not that they'd cut anybody's hand off or anything, but they'd made a mistake that was probably going to cost the company money or time, which is the same thing.

What we have here is a whoops or an uh-oh clause which is compensating for the fact that when Alberta raised its exemption higher than the federal exemption, they created a situation where somebody was being able to take advantage of both sides of it. They were getting the additional exemption from the province, and they were able to then go back to the feds and claim some benefits from their side as well. So this is actually going to implement a special tax on the difference between the two.

We also have what I'm calling the cheater's clause, and there's actually quite a bit in this legislation. This bill is not of an inconsequential heft. It's coming in at somewhere around – oh, look at that – 34 pages, and a lot of it is around what's called antiavoidance, which is essentially trying to clarify and amend the law to make it clear that cheaters shall not prosper.

We had a court ruling. Let me just double-check the date on that. It would've been 2005. This must have just burned the governments that were involved. When I first read this, I kind of thought it was funny. But the more I thought about it, I thought: wait a second, this is letting people that were skating on thin ice, knowingly skating close to the edge of what was proper and responsible, basically trying to cheat on their taxes. The court ruling said: well, you know, trying to skate close to the edge is not an illegal thing to do, and if it minimizes what the government is able to collect, well, they haven't breached the law. What that really told us as legislators is that we hadn't made a very good law, and we needed to go back and close those loopholes. That's the third piece of what we see here, which is listed in the bill as antiavoidance. We do end up with some strange terms in this business sometimes. I'm just calling it the cheater's section.

Then the last series of things is essentially administrative. It's bringing penalties and fines and things for these offences in line with the federal policies.

There were two questions that came to mind for me. The first question is around that scientific research and experimental development tax credit. Now, to qualify for this program, what's laid out is that the work advances the understanding of scientific relations or technologies. It addresses uncertainties or incorporates an investigation by qualified personnel. So work that qualifies for this includes experimental development, applied research, basic research, and support work.

We also have a list of what is not eligible. Once again, social sciences and humanities is not eligible, and I wish we would quit doing that because we need that research just as much as we need other kinds of research. I always think that it's very short sighted of us when we exclude that. Actually, anybody that walks through our campuses can see the long-range effect of that. The money is just not going into the arts and humanities like it is going into sciences. But, frankly, it's dang hard to find, you know, a big company like Stantec. They're going to feed into and promote the faculties from which their workers are coming. Yet we all as a society gain from

having a good liberal arts education, from having literature to read or art or languages or philosophy. That helps all of us. But it's really hard to get that support. Anyway, this bill is not going to support that.

It's also not supporting commercial production of a new or improved material, device, or product or the commercial use of a new or improved process. It won't support style changes, market research, quality control, or kind of routine testing or routine data collection. It won't support exploration or drilling and won't support development based solely on design or routine engineering practice.

This is what is under the Canadian set-up, what the feds do, because the feds have a similar program. What we seem to be getting out of this bill is that this is what we are going to do in Alberta, and in order to qualify here, you've got to qualify under the fed stuff. So my question to the sponsor of the bill, who is the Minister of Finance and Enterprise, is: will these same qualifiers apply to the Alberta SR and ED credit? That's question one.

Question two. According to the budget documents that I've looked at for 2007, the annual benefit of the SR and ED credit to Alberta companies is estimated at \$60 million and projected to grow. I think it's on page 153 of Budget 2008's fiscal plan. It says that "the government will monitor the credit's cost and its performance in encouraging companies to do research and development in Alberta." So the question is: how will the credit be monitored and by whom? How is this actual benefit measured? What kind of benchmarks do you start from? How do you figure this out? How will it encourage companies to do research in Alberta?

My concern around this is that this is always where this government stumbles. It can come up with some good ideas and some bad ones, but in both cases there seems to be a real problem with ongoing monitoring that it is supposed to be doing. Either we say we're going to do it and we don't actually staff it, or they don't really know what they're supposed to be doing, or we have conflicting cases like the monitoring of infection control that was going on. We had different groups that felt everybody else was responsible for that monitoring, so they weren't doing it. They weren't bad people. They genuinely believed that some other institution was responsible, and as a result nobody was responsible.

The two places where this government always tends to fail – aside from writing really bad contracts, but I don't need to go over that right now – is in monitoring and in enforcement. We find out things go wrong. We say that this shouldn't happen. We need to make sure it doesn't happen again. Yet there are either not enough teeth for the enforcement to be meaningful or we don't in fact enforce it. Again, we don't have staff that is assigned to do that. We don't have a process that works well. We don't have criteria that can be used. Our fines are ridiculous or whatever. There's a whole series of lessons that we can learn when we look back at other kinds of legislation that we've got. So I'm quite serious when I say: how are you going to monitor the success of this credit, how do measure that benefit that we are supposed to be realizing, and how do you enforce it? Very real questions there.

I think this is a good idea. We all know in Alberta that we are far too reliant on nonrenewable resources, and we're seeing that today. I mean, we subsidize every budget by about a third or more with nonrenewable resource revenue. We take it right out of the ground, and we put it in the budget, and we spend it. Since Lougheed days we've been saying that we have to get away from that; we've got to develop other things.

The most obvious thing for us is knowledge-based economies, and that includes creative economies, I will point out to all of you. This is where supporting the arts pays off because it, in itself, becomes an

economic cluster, if you will, and it certainly encourages and creates an atmosphere where the businesses around them can take advantage of that vitality and do very well by kind of circling around artistic endeavours. If we are going to move forward as a province, if we are going to remain prosperous, we must move more and more into knowledge-based sectors, and part of that is around scientific investigation and experimental development.

8:00

You know, we're a northern country; we're a northern province. Edmonton is a northern city. We know how to do stuff here that I don't think we give ourselves credit for. One of the things that I keep looking for is more capitalizing on that knowledge base that we have about what you need to do to survive and thrive in a northern climate. You know, we're not unhappy, dragged out, dumpy people here. We have figured out how to turn snow into fun and to make the most of that. We've figured out what kind of clothing is going to work best for us. We make sure our kids know that. There's an area that we haven't explored as much as we could have, and we can market that to other places.

The whole idea of bringing along a knowledge-based economy is a good one, and any time I can encourage the government to do that, I will. I want that monitored, I want it enforced, I want it measured, but I want to encourage the government to do it.

The whoops, uh-oh section I've pretty much talked about because essentially what we had there was that we raised our small-business threshold from \$400,000 to \$500,000, and the federal credit was still in there on the \$400,000 level, so people were able to take advantage between those two thresholds. In paying on both of those, they ended up paying less than a combined tax rate of 10 per cent when it flowed out as dividends. Some small businesses generated income taxed at a small-business rate provincially but ineligible for the enhanced dividend tax credit when it is withdrawn from the business. So some personal income is only taxed at an effective rate of 3 per cent.

It's a consequential amendment, consequential in having increased our provincial threshold for small businesses to \$500,000. I think it just wasn't anticipated, but happily we did figure it out before too long had passed because this is fairly recent, actually, so there isn't that much water under the bridge. The adjustment is being proposed in this legislation.

One thing around that that's interesting. I'm sure everybody has now had their visit from their local Canadian Federation of Independent Business. Of course, they wanted to see that threshold increased to \$750,000, but I've read their documentation, and they're not unhappy with the tax increase that is implemented here to deal with that differential between the \$400,000 and the \$500,000. The government hasn't given them what they wanted here, but they're not unhappy with the exact change that is put into place with the amendment.

Then we have the avoidance stuff that happened. Essentially, this is flowing from that court case that I made reference to, Supreme Court, with Toronto-Dominion Bank operating as Canada Trustco Mortgage Company, a subsidiary. Boy, they kept at it, but they won, so for the short term, anyway, it was worth it because it went all the way to the Supreme Court, but the Supreme Court ruled against the government and against what was called a general antiavoidance rule.

I know that's annoying to legislators. People will often leap to their feet and go: oh, that judge made law, blah, blah, blah. But the truth of the matter is that as far as I know – there's nobody that's a judge that's in this Assembly – generally it's legislator-made law, and we didn't make it very well. When it gets to the courts, they can

only interpret what's in front of them. They try and interpret something and go: "Well, we think this is what was supposed to happen, but the way this is written, we actually can't do it." Or: "It's not there. It was a rule but not actually in the legislation, so we can't actually enforce this, much to everyone's chagrin. Sorry, legislators; back to you. You're going to have to go and fix this." Here's the Alberta government taking the steps that they need to take to fix this.

I mean, antiavoidance is a genteel way – a bit of a double negative, too – of saying that this is about catching cheaters. It's about catching people that are trying to get away with the way they're filing taxes or presenting their books and hoping that they'll skate close enough to the edge to not truly fall over but be able to take advantage of either a lesser rate or some sort of a loophole. That affects all of us.

I know I'm a bit unusual in this Assembly, but I think there is a role for government in many parts of our lives. I also think that it's appropriate to pay taxes, and I pay my taxes. I expect to get good service, I expect there to be efficiencies, but I pay my taxes. I've never complained about it. Actually, when I look at the municipal budget right now, I would pay more in taxes because my city is at a point where it will have to increase its taxes by somewhere around 10 per cent to stay in the same place, and I want to see my city move forward. I think we are capable of incredible things, and I would like to see us go there. That takes a certain amount of money, and I as a citizen am willing to pay that money to get there.

I get a little frustrated when you get people running around talking about: oh, well, you know, a 20 per cent increase, a 25 per cent increase, a 10 per cent increase. But for most people when you look at that, how much money is that actually for what they're going to get? For what the service is, how much money is that really out of their pocket? For me I'm talking a couple hundred dollars. You know what? I'd rather pay that couple hundred bucks and get the services and get the city that I'm really excited about living in.

On the other hand, I don't want people cheating. If I'm willing to pay the full freight on my taxes, I don't really appreciate other people getting away with it. I don't need to be subsidizing them. So I appreciate the antiavoidance clauses that have been put into this bill.

At this point I'm willing to recommend to my colleagues that they consider supporting the bill in principle in second reading, but I'm not always able to successfully convince my colleagues of things, so we'll see whether they take my lead on this one.

Thank you for the opportunity to speak in support of Bill 48 in second reading.

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

**Mr. Hehr:** Well, thank you, Mr. Speaker. It pleases me to be able to rise and to speak for this Bill 48, the Alberta Corporate Tax Amendment Act, 2008.

**Ms Blakeman:** Oh, I convinced him.

**Mr. Hehr:** Yes. The Member for Edmonton-Centre did do a wonderful job of convincing me just now on the benefits and merits of this amendment act.

If we look at this, it is really a twofold amendment piece, which introduces a 10 per cent refundable scientific research and experimental development tax credit for corporations that comes effective in this new year. The second part is what she has referred to as a cheater's rule. I won't go so far as to say that it's a cheater's rule. It's called skating as close to the edge as you can possibly do, as

these people weren't in fact cheating, were more or less skating very close to the edge. It was, in fact, government who hadn't written the legislation properly. I'll speak to both those portions of the bill at this time.

**8:10**

If we look at the first part of that bill, which is the 10 per cent refundable scientific research grant, I too think this is a good initiative. It allows businesses that are taking part in various things in our economy – I assume in the oil and gas business and many businesses, maybe even the lawn and garden market or perhaps some home heating outfits or almost anything under the sun – to be creatively thinking about how they can get their businesses to be better positioned, I guess, in the marketplace going forward. Let's look at the possibilities here. I really think this spurs that initiative. It spurs that incentive to spend a little bit of money to make a better mousetrap or to make a better home heating device that'll allow, you know, reductions in fossil fuel emissions or better productivity in some other area that is really where our economy has to go.

As was mentioned by the Member for Edmonton-Centre, this is really the area of our economy that has to grow. You hate to see times like this when we are in some question as to whether our oil and gas economy can fully take care of our goals as a society and whether it's going to be fully sustainable. Hopefully, this is a little rough patch in the road that we'll get over very quickly and be able to keep on going down the path that has allowed us to have large budgets and to do many good things; at the same time, you know, a recognition that we can only go so far if our economy is a one-trick pony that continues to spend more than it brings in. Much of it is dependent upon oil and gas revenues and what we get from that sector and what comes off of the wellhead and nothing else, so hopefully this will go some of the way in diversifying our economy.

If we look at the other portion of the bill, again, as the Member for Edmonton-Centre pointed out, the government has to do the job when writing its legislation to get it correct. Sometimes this entails looking at different jurisdictions, different thresholds, and the full ramifications of what that legislation is going to bring about and what that change to the tax code is going to do and is that tax code fair and balanced and are there loopholes.

Let's face it. We have an industry of accountants and an industry of tax lawyers out there who are paid and paid fairly well, I guess, to look through these codes and to do the best they can on behalf of their clients. You know, good for them. I don't like to pay more tax than I have to although I will agree with, again, the Member for Edmonton-Centre that taxation is not an evil thing. It's, in fact, how societies do decent and good things together and how we build public spaces and public roads, public works, public education, public hospitals that we've decided to do in a collective fashion.

It appears that over the last number of years almost any time a tax increase comes out at whatever the level – the city level; the provincial level, although that hasn't happened in quite some time; or even the federal level, which hasn't happened in quite some time – it's an immediate scream that things have gone way too far, that this is robbery in some cases. It's not robbery. It's merely a way we can do things better and more efficiently and how modern societies, in essence, have to run. You know, I'd argue almost for more public space.

It never ceases to amaze me how many meetings I go to where people are asking for this, that, and the other thing, and I caution the people: well, if you really want that to happen in society, are you prepared to pay X? Invariably they give you a look: well, does it really cost that much? Well, if you look at how some of the other societies are run and where there is maybe more public space, more

public good being done, yes, that's what it costs. Until such time as people are able to look at themselves and say, "Hey, we want this; we want that," I guess that's going to have to be a debate for later because that's definitely not happening right now.

If we look at where this is going, I think this act does do a good job in eliminating that loophole that existed. It introduces an additional tax for small businesses to compensate for the gap between the federal income threshold of \$400,000 and Alberta's threshold of \$500,000, which saw businesses with income between these two thresholds paying less than a combined corporate and personal tax rate of 10 per cent when it was flowed out as dividends. I think that what was said for the companies that were doing this – and I would suggest that probably a majority of the companies who were at least aware of this loophole were doing it – was it amounted to something like a 3 per cent tax rate they were paying.

Let's face it. Alberta tax rates, which are the lowest or second lowest of all the provinces, appear to be eminently reasonable at this time, and it should be paid to that full 10 per cent. Now that we've cleaned up that loophole, hopefully governments will be able to get what is coming to them. It reminds me of the saying to render to Caesar that which is Caesar's, I guess from a Biblical reference.

**Ms Blakeman:** True, but that court ruling said that you didn't have to.

**Mr. Hehr:** Well, that court ruling did say that you didn't have to, but now that we've cleaned up the language, I think it'll work better.

**Ms Blakeman:** Caesar is going to get his salad.

**Mr. Hehr:** Caesar is going to get his salad. Exactly.

So there we go. That's all I've got to say. I'm glad we've cleaned out that amendment, cleaned out that discrepancy between our tax regimes as well as looked at a way to hopefully diversify Alberta's economy. Hopefully, some of that scientific research will be done on maybe solar and wind and maybe some other good things that help us reduce our carbon footprint and move us on to the next phase of sort of greening our economy.

Thank you very much for the opportunity to speak to this amendment. Again, I am encouraging all my colleagues of this House to support this amendment. Thank you very much.

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

**Ms Notley:** Thank you, Mr. Deputy Speaker. It's a pleasure to be able to rise to speak on Bill 48. Unlike my colleagues adjacent to me, actually I think I'll likely end up not supporting this bill although I certainly do look forward to hearing the debate and finding more information about it. Not surprising, I suppose, to many members across the way that I would be somewhat hesitant to support this bill because – let's be clear – this is a bill advocating a corporate tax break. Let's also be clear that the members of this caucus don't see corporate tax breaks as a way to do the best job for Albertans, for real working families who don't get the benefit of these tax breaks.

This particular tax break will ultimately, it appears, cost Alberta taxpayers roughly \$60 million a year, and we understand from the briefing notes that it will increase over each year.

8:20

Now, just to sort of start, I guess, at the point about dealing with the issue with respect to the lack of integration between the threshold points with respect to small businesses, the \$400,000 versus the

\$500,000, I just find that it is somewhat interesting. I mean, it appears as though the federation of small businesses is not objecting to this change. If they're not, you know, why should I? But it does strike me as somewhat ironic that, globally speaking, this bill is not only giving corporate tax breaks, but with these two things merged together, it's actually giving a bigger tax break to bigger corporations and, in fact, modifying that tax break to smaller businesses. It's not actually even a flat tax break to corporations, but it's actually biased in favour of bigger business. Nonetheless, the Canadian Federation of Independent Business isn't concerned about it. It's not something I'm going to spend a great deal of time worrying about.

What I am concerned about is this notion that it's good public policy to give a further \$60 million a year away to corporations in Alberta. Over the last few weeks we've started to have a lot of discussions about the economic stability of our province and the forecast and the revenues that this government can count on in the future. I've already heard a lot of folks on the other side of this House talk about the impending need for belt-tightening and how we need to really rethink the value of each and every program that we've got in front of us. Now, it seems to me that if that's the road that members on the opposite side think we are about to venture down, I'm not entirely sure why we would be giving \$60 million a year away when there's no desperate need for it.

Now, some people might say that giving a further tax break for research and development is somehow going to generate research and development. I'm not convinced that that's the case. I think what it's going to do is generate tax breaks to big corporations.

Alberta has the lowest corporate tax rate, and of course we hear about that a lot over there. My question, then, is: if we already have the lowest corporate tax rate in Canada, why do we need to drop it more? Why don't we have all research and development already happening here? It should already be happening here. I mean, if corporate tax breaks are how you get corporate citizens to act the way you want them to, they should all be here. They should all be investing in R and D, and they should be giving back.

**An Hon. Member:** They are.

**Ms Notley:** Well, if they already are, why do we need to give them yet another tax break? See, either they're here and they're doing it, or they're not here and it doesn't work.

Here's the thing: \$60 million is a lot of money. I would say to you that there are other ways that you can build the strength of your economy and attract alternate business to your province outside of simply giving yet another tax break to corporations when, as I say, we already ask big business in Alberta to pay the least contribution to the public good in this province.

What other things could we do to build our economy and strengthen our community? Well, \$60 million would go a long way to putting in place, finally, some semblance of some version of a child care plan, which, of course, we don't have in this province. Sixty million dollars could create, I believe, roughly 300 more spaces for med students in our universities.

**An Hon. Member:** Not even close.

**Ms Notley:** No? Not even close? Okay. Then maybe my numbers are wrong. That was a back of the napkin figure.

It could, however, ensure that we have more teachers, smaller classrooms. We could move towards lowering tuition. There are a lot of things that we can do with that money that would actually benefit all Albertans, working Albertans, average Albertans who are not going to get the benefit of this corporate tax break but who will



stay here, who will keep their families here, who will invest here, who will work here. In my view, you don't improve the well-being of your province by simply giving more and more money to the most wealthy 3 per cent of the province and then turning to everyone else and telling them that they need to get ready for belt-tightening. That, to me, is not good governance. That's not long-term planning. I don't see, ultimately, the value of this approach.

Ultimately, as I say, I just believe that the better way to approach getting the kind of R and D happening that we actually need to happen here is for there to be focused investment tied to specific outcomes with respect to R and D. If we want to build our nonrenewable energy industry, then we should invest directly in that, and there should be absolute outcomes tied to it so that there's accountability to the taxpayers.

It has already been mentioned that there is no mechanism in here to measure whether this tax break actually will increase R and D, whether it will increase any kind of benefit or economic activity to Alberta taxpayers. There's no mechanism built into this legislation. What we would rather do is see it focused and attached to the kind of investment that we need to actually see occur, like, as I say, nonrenewable energy as an example.

As I say, I look forward to listening to the debate and listening to all the different positions being put forward, and I'm more than prepared to consider all arguments. And who knows? We may even change our mind on it. But at this point these are my preliminary observations with respect to this bill.

Thank you.

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

**Mr. Chase:** Thank you. If the government can get Bill 48 right – and in order to do it right, it's the rules and regulations, the oversight – if that part of the bill can be dealt with, then this is a wonderful piece of promotion of innovation and technology. What Bill 48 is talking about is intellectual capital, and we'll take a little travelogue detour to Calgary-Varsity.

Calgary-Varsity has the distinction of having the highest number of postsecondary degrees, and it's not surprising given the way Calgary-Varsity is structured. We have the University of Calgary, for which Calgary-Varsity is named, in the centre of Calgary-Varsity. Surrounding the university we have a series of research institutes. For example, we have the Alastair Ross technology building right directly across from the University of Calgary, just directly north of the university. Then directly south of the university and associated with the university is Calgary Foothills hospital, and on the site of the hospital is a medical research institute associated with the University of Calgary.

A large part of the purpose of the individuals employed in Calgary-Varsity is pursuing intellectual capital, and as a result I'm extremely supportive of this particular bill. The University of Calgary has amongst its most recent achievements the business of the robotic surgical arm. I had an opportunity to have a presentation. This robotic surgery was developed by the University of Calgary. It can be adapted for a variety of different forms of surgery – the intricacy of removing brain tumors to a micromillimetre based on the ability to control this robotic arm – and it can provide surgery possibilities thousands of miles away and be guided by a system that was developed at the University of Calgary. It's this type of intellectual capital that Bill 48 is talking about incenting, and as a result this is, I believe, a very positive direction that we're heading.

8:30

I share the same concerns that the hon. Member for Edmonton-Centre shared with regard to limits on the types of research that will

be promoted. To use a piece of literature, *Brave New World*, Aldous Huxley talked about different types of genetic research and development of individuals. Right now what the bill is dealing with is mainly the khaki individuals, the sort of industrial workplace research. It's not dealing with the humanities or the arts or the philosophies, the things that make us human and make life worth living beyond the counting of dollars. While there is a shortcoming with this bill in that area, I believe the type of intellectual innovation that can be achieved through technological pursuits will potentially give us an opportunity to enjoy the arts to a greater extent. While it doesn't go in the front door, maybe by the accomplishments those pursuits will be promoted through the back door because we'll have a higher quality of leisure potential based on the innovation and technology that will be developed.

I enjoyed the Premier's comments this afternoon during question period with regard to our two big gifts. He talked about the gift of geography, and that's our close proximity to the United States. Sometimes we might want to take that gift back based on the economic recession that is currently being experienced in the United States. But the reality is that the U.S. is our major trading partner, the U.S. to a large extent is our major protector, so we're very dependent. Hopefully, we will be able to strike up a different type of relationship with President Obama and with a Democratic Congress than we've previously had. Hopefully, we will see greater intellectual capacity coming out of the United States than we've seen over the last eight years. This is our opportunity. Bill 48 may be just a small step towards that by recognizing the value of intellect.

Getting back to the Premier's two gifts, the geography I've talked about, with the United States and the possibility of co-ordinating our approaches, whether it's to do with setting limits on emissions, whether it's to do with overcoming poverty, whether it has to do with leaving less of an environmental footprint and increasing the value that we hold for people. These are all possibilities, sort of by-products of the potential of Bill 48, the Alberta Corporate Tax Amendment Act, 2008.

The other gift the Premier talked about this afternoon was the gift of geology. We're extremely fortunate. We have the means, if we do it correctly and we set money aside, to have not only a prosperous future in terms of material goods but the potential to literally create a heaven on earth if we can deal with the after-effects of technology, the way we currently earn our money, and our singular dependency to a large extent on nonrenewable resources.

What Bill 48 is doing is saying that we need to diversify. We need to invest in intellectual capital. We have to move forward. We can't continue to be drawers of water, hewers of wood, drillers of oil and gas. When you look at the progress that we've made in this province because of innovation and technology, we've managed to accomplish some pretty miraculous things. When oil was first being drilled, whether it was back in Black Diamond-Turner Valley at the turn of the century or whether it was, you know, 1940s and Leduc in the early days, shallow gas was considered a nuisance, an inhibitor to getting at the oil. So there was this large resource that was basically being flared off. There was no great intent to capture it.

Look at how things have developed. A lot of the research that went on in terms of extracting bitumen from the oil sands took place in Alberta based on the intellectual capital, the innovation and technology. If handled properly, those same tar sands are going to continue to provide the basis of our wealth for years to come. The key is the balance between the environmental cost and the value of the resource itself.

Now, oil and gas prices fluctuate within a global market. The last thing we want to be caught with is a series of holes and emissions and tailings ponds and that we'll have shipped the best part of our

resources down south for refining. We don't want to be there, and that's why incenting the intellectual capital that Bill 48 intends to provide is absolutely necessary. We have to get beyond our one-trick pony dependency. We have to move on. We have to create alternative energy sources. We have to not only protect and preserve the water that we've currently got, but we have to consider how we are going to potentially replenish that water. We don't live beside an ocean, so we can't desalinate ocean water, but we've got a tremendous amount of water in Alberta that is of a saline nature, so research on desalination would be of extreme importance.

We have such potential in this province for leading the world. Instead of exporting strictly unrefined natural resources for development either in the States or in other parts of Canada, we need to do that refining here, and we need to do it to the best of our ability. Bill 48, the Alberta Corporate Tax Amendment Act, is designed to incent that type of innovation and technology, the creative development that human beings are so capable of. How much better it is to turn this into positive as opposed to the weapons of mass destruction or the Star Wars missile shields and so on. We have this possibility to export to the world Alberta-made and grown-in-Alberta intelligence. That's certainly much better than transfer payments. It's certainly much better than just strictly sending along our oil and gas, because those are nonrenewable. Intellect, fortunately, does not have an expiry date on it.

My only concerns. How will the credit be monitored and by whom? How is the benefit measured? How will it encourage companies to do research in Alberta? If the government can tackle those questions and provide the transparency, the accountability, the oversight, the rules and regulations so that everybody can read the playbook, then we'll have accomplished something wonderful with this piece of legislation.

On that positive note, Mr. Speaker, if I may, I would like to adjourn debate on Bill 48.

[Motion to adjourn debate carried]

**8:40** **Bill 49**  
**Traffic Safety Amendment Act, 2008**

[Adjourned debate November 17: Mr. Berger]

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

**Mr. Chase:** Thank you very much. From a variety of points of view, being a father, being a grandfather – I know you're tired of hearing me say how many years I taught, so I'll give you a break tonight. But for the sake of the members in this House as well as their children and spouses and family I obviously want to get impaired drivers off the road. I mean, that's absolute common sense. I support organizations like Mothers Against Drunk Driving, the acronym MADD.

What this particular bill is trying to do is parallel the alcohol offences with drug offences. Impairment is impairment whether it comes out of a bottle, out of a pill, or at the end of a twisted cigarette, in an oil format, or whatever other type of drug paraphernalia you like. If you're high, you shouldn't be behind the wheel. I mean, that's obvious. The only concern I have with this is the potential infringement on a person's rights. This can be addressed, however.

I'm a little bit leery about a sheriff potentially pulling me over on the side of the road and saying: "Sir, would you roll up your arm, please? I'd like to take a blood sample." Or as part of the test after I've done the balance act and balanced on one leg, balanced on the other leg, the person hands me a specimen bottle and says, you

know: fill 'er up. If the testing is going to be done, then the individual who is being tested should have all their rights recognized, and the person doing the testing should have the capacity to be able to conduct the test in a safe, sanitary method.

Now, the answer is not having the sheriffs do the blood tests or require urine samples although I admit, you know, that I'm not putting down the sheriffs' capacity to hold a urine sample. But when it comes to the taking of blood, then my solution is that as part of the team there should be a paramedic or a nurse or somebody with sufficient capability and training to be able to take a blood test which isn't going to result in an infection or – you name it – hepatitis C and so on. We've had a series of scares in this province in Vegreville, Grande Prairie, with syringes. In terms of Vegreville it was MRSA, the lack of handwashing.

I don't want the intent of Bill 49, the Traffic Safety Amendment Act, to be lost due to sloppiness. I want to have convictions upheld. I want the process to be transparent, accountable. I want it to be, obviously, as sanitary as you'd expect to find in the back of any ambulance. That would be a minimum requirement. And with those minimum requirements and health officials doing the blood testing and the urine sample analysis, then their results will hold up in court. If it's a layperson doing it, you know what happens in a court. There can be all kinds of accusations of tampered evidence, of seals being removed from the caps of a sample.

You just have to look at Olympic sports and the doping that goes on there and how sophisticated it is and their trying to prove that the substance is an illegal substance as opposed to some form of medication. It's a very tricky circumstance. If Bill 49 is going to work, then the methods by which we do the testing have to be beyond dispute or it's a waste of time and effort in the sense that, yes, we get the person off the road temporarily, we pull them over, we put them through the test, and then due to a failed collection of specimen of evidence they're released. So let's make sure that Bill 49 works, and the way it will work is if you have sufficiently trained health individuals to carry out the testing. I believe then we've got a good piece of legislation.

Thank you very much. I would like to sit down at this moment.

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

**Mr. Hehr:** Thank you, Mr. Speaker and hon. members. It pleases me to rise and add my comments to Bill 49, the Traffic Safety Amendment Act, 2008. Essentially what this amendment is doing is putting drug use on an even playing field with alcohol use in terms of being an impaired driver, which is a good thing.

As my colleague from Calgary-Varsity indicated, drunk driving, drug-induced driving has been the cause of much pain and anguish in our society, and it is something that has been on the rise as of late in Alberta and possibly across the nation. We see more and more people in Alberta who are sort of losing the message that, you know, driving while impaired by any means does have tragic circumstances to both them and to society at large.

If we look at elevating drug usage to having the same seriousness as alcohol usage, we'll go a long way to, I guess, alleviating some of the folklore that has been out there, at least, since my youth. Maybe some people in this room who are around my age and maybe even older remember the old joke: well, it's okay to drive when you're high because you're going to be below the speed limit; and if you're drunk, well, that's no way to drive because you're going to be way above it. It was sort of just one of those things that was generally accepted that, you know, maybe this thing wasn't as insidious as driving while under the influence of alcohol whereas, I guess, we all know better in this House.

To a certain extent this message in being sent to maybe some of the people that that old innuendo of driving while impaired under drugs isn't always true and that when you're impaired by any measure, whether it's drugs or alcohol, it still has serious effects on your driving ability, serious effects on who you may hurt and whether you'll hurt yourself. I think by elevating this to the same consequences as with impaired driving may go a long way in at least bringing that uninformed folklore of my youth and maybe some other members' youth to some of the other people out there in Alberta. And, of course, I was not admitting to anything in that little diatribe there. It was merely for the importance of the bill.

Now, we also look at other things. I, too, share some of the concerns of my colleague from Calgary-Varsity. I'm sure it'll be detailed in the regulations or in the Criminal Code on how, in fact, drawing blood will be undertaken. For instance, most of us are aware that many of our impaired driving charges end up being tossed out if, in fact, they go to trial. That's simply because it's a more detailed process than we think. By simply allowing for an alcohol test to be taken by either a police officer – I guess now sheriffs with even less training are going to be doing a lot of this alcohol testing. Hopefully, they're getting the training to do this so that court time isn't wasted down the drain on having more of these charges thrown out.

8:50

Before I get on that subject, let's go back to what this is. It's that we have to have our police officers trained and, I guess, now our sheriffs trained in how, in fact, we're going to do the best testing of individuals who they suspect to be under the influence of either alcohol or drugs, how they are to shepherd the person who is alleged to be impaired under alcohol or drugs through the checks and balances of the system. If they are allegedly under the use of drugs, they should be taken to a place where their blood can be drawn safely with an eye to using that test for the purposes sought; that is, to look at whether the blood is in fact containing THC or whatever else, any other impairments that are caused by whatever other chemicals illegal drugs these days are now containing.

In fact, it has to be a process that is going to stand up to the tests and scrutiny of the court. It has to be done by the book so that we're not wasting precious court time on simply bringing people who may be guilty but are not charged correctly under the rule of law.

Lastly, I think there has to be some caution thrown up that these tests are merely used for the toxicology of the person involved, that these tests, this blood is not used for any other purposes by government. Maybe, you know, this is me just being a little leery of what sometimes governments do when they have too much power. Sometimes a blood test which is meant to only screen for toxicology of a driver may then be used for some other purpose that is not akin to the purposes of the legislation.

But if those things are worked out, I believe that this is a good amendment to the Traffic Safety Act. It will allow our police officers and now sheriffs the ability to clean up our streets and send a message to the public that impaired driving by alcohol or otherwise will not be tolerated in Alberta, is not condoned by society, and is something we should not turn a blind eye to.

Thank you very much for allowing me to speak on this amendment. I'd urge my other colleagues to also support it. Thank you.

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

**Ms Notley:** Thank you. It's a great opportunity to stand and engage in debate on Bill 49. This bill attempts to achieve, obviously, laudable outcomes. There's no question about it. You cannot not

support the objectives that are being pursued through the introduction of this legislation. We all want to see less impairment for any reason of any drivers on our roads because far too many people, far too many innocent people are injured as a result of impaired driving.

I guess I do note with some irony the discussion we had earlier today about the potential to increase the number of hours that people in the trucking industry will be allowed to drive because, of course, when you get into impairment, it's not just alcohol and drugs; actually, fatigue is probably as big a problem with respect to impairment. Nonetheless, let's deal with what's being dealt with here, and that is reducing and structuring a system to better manage the existence of impairment on the roads due to drugs and alcohol.

You know, I want to say that I think not only in Alberta but across the country, but certainly my experience in Alberta is that government – and, of course, I have to say this government, going back to when I was a teenager, and it was this government then, which is a little bit depressing, but nonetheless – has done a good job of being part of that overall trend to fundamentally . . .

**Mr. Hancock:** It's only a couple of years ago, right?

**Ms Notley:** Yeah. Only three or four years ago. I just passed 20. . . . you know, amend that culture of driving when impaired, and certainly with respect to alcohol.

You know, I grew up in rural Alberta, and I shudder to think of some of the behaviour that I observed, we'll say, with respect to people getting from point A to point B after having consumed a drug or alcohol. There's no question there's a fundamental change. Really, most people, most Albertans don't do it anymore. Most children, you know, have parents now saying: "If you're out there, call me. I'm going to pick you up." All that kind of stuff. Big change. I mean, there's a reduction in the degree to which people are out there driving when impaired. It's still there. It's still a problem, but there is a fundamental change in the culture, and most of that came from public education. That's a good thing, and that's where I'm going with this, that public education has a role to play.

While I think that we can support any effort that is designed to enhance the reduction of people driving when impaired, the real problems or concerns, I guess, I have at this point with this legislation is that I'm not entirely sure that that's going to be the result that we get from this legislation. I really do have some questions here, and I hope that in the course of debate they'll be answered.

They've been touched on by previous speakers, but just in terms of some of our concerns, generally speaking, this legislation mirrors legislation that's come from the federal government. We know that polling shows that Canadians, and Albertans in particular, very much support this legislation even though they're not really clear on how it might ever be implemented. I guess it's that question of how it might be implemented that is the concern that I have, and in particular whether it is, in fact, capable of being implemented and whether or not in the course of someone trying to implement it, we don't end up with a tremendously negative impact in our court system.

Basically, we know that with respect to many drugs they don't tend to create an impairment that is similar in nature to the type of impairment you see when people are impaired by way of alcohol consumption. So the whole question of assessing and measuring impairment from a physical point of view is one that is very much up in the air. People can consume a great deal of drugs and not actually demonstrate impairment in a way that we're used to observing or measuring with respect to alcohol, so I think that there is a big concern with respect to the degree to which people that will be asked to enforce this law will have the capacity and the training to engage in that assessment.

The other problem that exists, of course, is that even if you have somebody who appears impaired such that that person can then be tested for drugs, you then raise a whole other question, which is: is it the drugs that cause the impairment, or is it because the person is tired? Again, the science with respect to the presence of drugs in the system and the level of impairment is nowhere nearly as clear as the science with respect to alcohol in the system and the level of impairment that that creates. So what you're going to end up doing is having a whole schvack of trials in the courts over whether or not (a) Joe or Jane Driver was in fact impaired and (b) Joe or Jane Driver was impaired due to the fact that they had drugs in their system that they claim show up six days after they ingested them. Because, of course, another problem with drugs is that most drug testing doesn't discern how long it's been in the system.

There is a tremendous amount of uncertainty there, and knowing what little I know about the litigation around impairment and impaired driving, I know that what you're probably doing is creating a whole new generation of graduating lawyers who will be able to make their business out of doing nothing but fighting drug impairment charges. That's all fine for them, but I'm a little concerned about what that's going to do to our court system.

**9:00**

Those are some of my concerns, and I'm happy to hear what answers the government has. In particular I'd be interested in hearing what the Attorney General or people who have information from the Attorney General's ministry have to say about what they anticipate the increase will be in terms of the litigation around these kinds of charges and what kind of initiatives they will be putting in place to ensure that it doesn't increase the backlog in our courts significantly. So those are just a few of my concerns. Again, though, the objective that's being pursued here is one that I support a great deal. That's why I'm interested in hearing more about what this legislation will do and how people anticipate it being implemented.

With those comments, I move to adjourn debate.

[Motion to adjourn debate carried]

**Bill 50**  
**Victims Restitution and Compensation Payment**  
**Amendment Act, 2008**

[Adjourned debate November 17: Mr. Quest]

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

**Mr. Renner:** Thank you, Mr. Speaker. In the same vein as my earlier comments to Bill 48, I rise to request that the Legislative Assembly grant unanimous consent to waive Standing Order 29(1)(d) in order to permit the third speaker on Bill 50 to speak for up to 20 minutes.

[Unanimous consent granted]

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

**Mr. Hehr:** Thank you very much, Mr. Speaker. It pleases me to speak about this bill, the Victims Restitution and Compensation Payment Amendment Act, 2008. Generally, this is one of those bills that is very timely. I think it does a lot of good things and makes more clear that Alberta will not stand by and allow, I guess, unlawful citizens to prosper. Cheaters never prosper or criminals never prosper: this actually goes some way to making this a reality.

The rationale for the bill is fairly clear in that gains from unlawful activity should not accrue and accumulate in the hands of those who commit unlawful activity. That is totally true. You know, people who are involved in the drug trade, people who are involved in nefarious actions . . . [interjections] The hon. Member for Edmonton-Centre teases me. Nonetheless, those individuals ought not to be accorded the rights and the privileges normally attended to under civil property law. If people are gaining at the hands of unlawful activities, the long and short of it is that they should not be allowed to prosper.

Let's take a look around Alberta right now. We seem to be at a point where there's an increasing amount of gang activity, and that only means that crime is lucrative. We're coming to a situation where Alberta at a point in its history has a large population with lots of money around so that gangs can make money. That's the only reason why they're here, why they're moving into our cities and even to our countryside to a certain extent. It's because they can make money, and they're able to make money a lot of times because we have stood by and sort of let them.

This type of law will go a long way into allowing us to recoup some losses. For instance, criminals who used to say: "Well, it's worth the risk. I will operate two or three drug houses in Calgary or in Edmonton, and I will run them as long as I can. I don't care if I get caught because at the end of the day I'll have put X amount of dollars into my bank account. I'll go do the time because when I get out, I'll have a nest egg waiting, and it will be worth all that." They'll call it hard work and effort while we'll call it destruction of society.

This allows us to go back and say: "Hey, where was this person getting this money? How has this person now been able to purchase three cars, two rental properties, go on vacation six times in a year, whatever it is?" It gives us the ability to figure out how, in fact, this individual was moving in his practices. You know, those are more or less the major things.

I guess the next sort of thing to talk about is that it allows for less restrictive evidentiary standards to be applied to situations in routine police work, which brings about, specifically, property-related issues. I think that that's also a good thing. For instance, if a police officer pulls over a gentleman or a lady in a car and she's got a bag full of money and a bunch of pills and possibly some other stuff, that police officer can then lay a charge, seize these materials, and then they can go to court. It's not going to court to prove it on a criminal standard, that standard which is guilty beyond a reasonable doubt. When they are looking at things dealing with the seizure of items like this, the money from a car or a drug house or something of that nature, the court then has an ability to judge these materials that have been seized and make an accounting of them on a balance of probabilities.

That means that the prosecutor in the case merely has to paint a picture that is not as rigid a standard as guilty beyond a reasonable doubt. For instance, I might even put the test as being that all the prosecutor has to do is show a 50.1 burden of proof that this stuff was used in criminal activity for the courts to be successful in this case. This makes these types of nefarious assets that have been garnered through criminal activity much easier to recoup by the state and be given back to victims of crime and other community groups who are working on bettering our society.

**9:10**

I will say that I may be bringing an amendment to this later on. In fact, looking through this amendment, this may be a good bill to amend and incorporate in this legislation, actually, the ability to do this type of thing also with criminals who are carrying around illegal

firearms – it may actually give us the opportunity to do that – or handguns that are being used for criminal endeavours, give us the ability, possibly, to seize their cars. It seems like that amendment may be appropriate at this time. It fits seemingly nicely – I think the term is dovetail – with this bill.

I'll have to give some thought to it as to whether this is the correct place in fact to do it. Well, I know it's the correct way for Alberta to go, or I'm pretty darn sure of that. Whether it's here or sometime later on, at a later date, I think it would give the government an excellent opportunity, with the growing gun and gang culture that is beginning to emerge here in Alberta, to give the police some of the tools to get guns off our city streets, which is also causing some problems.

Other than that, I'd just say this is a good piece of legislation that I will be supporting. I'm glad to see that it will add another tool to our police officers and our court systems to clean up the streets and to really hit criminals in the pocketbook. That's what we want to do.

Thank you very much, Mr. Speaker.

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

**Ms Blakeman:** Thanks very much, Mr. Speaker. I'm pleased to get the opportunity to rise and speak in second reading to Bill 50, the Victims Restitution and Compensation Payment Amendment Act. This is interesting because I guess about a year ago I was asked to speak, actually, at a conference for John Howard, and one of the other speakers that followed me was an individual who had been working on Keeping Communities Safe: Report and Recommendations of Alberta's Crime Reduction and Safe Communities Task Force.

That's a particular report that's worth refreshing your memory on because there was some good work done there, and certainly a lot of time was spent listening to Albertans' concerns and trying to think of how to address them. I may not always agree with where this report goes and its preference for sort of locking them up and throwing the key away, and there is one part of this legislation that I really struggle with. But if you look, in fact, the recommendation for this bill is in this under the law and courts section, recommendation number 8: "Develop, enact and enforce legislation allowing the province to seize money and property gained through the proceeds of crime and use those resources to fund victim compensation, crime prevention and crime remediation programs."

If you look in the task force report on pages 50 and 51, it talks about how they arrived at that recommendation. Essentially, the Victims Restitution and Compensation Payment Act from 2001 had a couple of different parts to it. Part 1 was never enacted, and that was the part that was supposed to allow police to seize illegally obtained property to ensure that it was not sold or used in the commission of crimes. But it never quite took, so they actually have never proclaimed it. The rest of the act was about assisting victims in getting restitution or compensation and that losses suffered by victims should be covered by the offenders.

This amending bill that we see before us is actually part of a fairly long curve of trying to deliver some legislation to the community that will recognize victims and also try and make it a little less attractive to criminals to try and commit those crimes, where as my colleague from Calgary-Buffalo talked about, you know, they have all these vacation homes and money socked away in different bank accounts. What you're always trying to do in this is strike a balance. I think that for the most part this legislation is doing that.

I guess I go back. I remember when the victims of crime fund was established because at that point I was working for the Advisory Council on Women's Issues. We were very excited when the

government called us to a media conference where they announced the launch of this fund. This would have been in the early 1990s. We had been doing a lot of work on what was then called wife battering or violence against women. It's now called a number of other things, but that's what we were calling it then. I remember sitting in that audience. We were so excited because we thought that, well, here was going to be a way that women that were victims of domestic violence were going to be recognized and, hopefully, compensated. They'd get access to some of the money that was being set up here.

Now, that money was primarily derived from fines and also from surcharges that judges could apply, basically saying: I'm convicting you of this crime, and I'm going to charge you a surcharge of X amount of money, which will go into the victims of crime fund. Then that fund was to be used for a number of different possible expenditures. My frustration with that fund – and I'm assuming that it is fairly closely linked to this fund or that this takes money out of that – is that that fund actually has a fairly significant surplus.

When I first investigated this when I was the critic for the Attorney General and the Solicitor General way back whenever that was, I think the fund was somewhere between \$8 million in surplus and got to as high as \$13 million in surplus. My frustration was that I felt that was money that should be being redirected out to either the individual victims or out into the community to programs that were assisting victims or preventing crime ultimately. We still have that situation. I mean, I try and stay close to the John Howard Society and really keep up on what they are doing because they're an excellent group in our community. I think they are dealing with all those aspects of trying to prevent crime but also working with people that are coming out of prison and assisting their families. They've got a sort of three-sixty take on this issue. They've got a number of initiatives – I'm so frustrated when I look at some of things they're trying to do – and they're always having to search for money.

Here we have a very cost-effective and efficient NGO in the community. I know they were trying to put together a sort of one-stop shopping outlet; I'm pretty sure it was around violence. They were looking for money, and here is this money sitting in this fund that they couldn't access or draw upon. I still think there's something really wrong. My colleague, sometimes at my urging, has pressed the Solicitor General a number of times with why there is such a surplus in this fund. Frankly, he's avoided the answers, and I continue to be really concerned about this. This is a slush fund now that the government has been sitting on and letting build for a long time, and the money should be going to victims of crime.

So I'm balancing what I know has happened with the victims of crime fund with the good ideas that are in this bill because essentially what it's trying to do is give some power to our provincial Attorney General to be able to seize and sell property that came directly from a crime. Then it goes a bit further and says, "Well, if we're pretty sure." This is where we get into the section about restraining. There are instruments, they call them, that they likely used in committing a crime, but the case is taking a long time through the courts. This would allow the Attorney General to come in and basically restrain to use that property that was intended to commit offences.

It ends up using a different test because the test that we would normally use in that circumstance is around balance of probabilities. In civil law an issue is resolved when it can be proved on a balance of probabilities in criminal – the standard of proof must be established beyond a reasonable doubt. So previously the minister's ability to try and get these goods was tied to when the criminal proceedings began, but if you don't have to rely quite so much on the court proceedings, you can get at that stuff faster. I think that's

what's being contemplated here if I'm understanding the law. I'm not a lawyer, so I may not have that right.

**9:20**

There is also, according to my notes, allowing less restrictive standards to be used for evidence where routine police work turns up specific property that could have been used in a crime. Sometimes we write bad legislation, and I understand that. I've been in here a lot of nights where I really questioned whether we were writing good legislation, but sometimes we overwrite it. We're anticipating things that we think might happen without really basing it on evidence of what does happen, so we need to go back sometimes and streamline it or make it workable and implementable, if I can create a word there. That may well be what's happening here.

The section of the bill that I just feel so strongly about. I'd like to support this bill, but, boy, when I see sections like this, it just chills my blood, and it makes me take a step back from what had previously been wholehearted support. That is where we look at the section in the bill that appears on page 23, section 8 of the bill, amending section 54. This is around access, use, and disclosure of information. It's allowing the minister to "enter into information-sharing agreements that are" – and here's a proviso – "reasonably required by the Minister to exercise powers or perform functions and duties under this Act." This is sharing information with the government or a province or territory or a public body. It goes on that the minister is entitled to get information, including personal information, that's in the custody or control of a public body, and that's reasonably required by the minister to exercise powers. The public body has to disclose to the minister if the minister is entitled under that subsection.

Now, supposedly the minister can use this information only for the purpose of exercising a power or carrying out a function or a duty under the act and disclose the information. Remember that with information you're always talking about getting it, using it, and giving it to somebody else. That's what it's doing here. It's talking about that the minister is entitled to get it, the minister is entitled to use it, and the minister is entitled to give it to someone else.

That always gives me pause because, you know, I think the government in particular has to be vigilant, vigorous in protecting people's personal information. When you commit a crime against society, you have certain things taken away from you. But we have to be bloody sure that you've crossed the line, that you have committed an offence against society, before we start fooling around with your personal information because once that information is out there, particularly if it's out there in a database, it's gone. You don't have control over it anymore. This government doesn't have control over it. The minister doesn't have control over it. That horse has left the barn. And it's more than a horse because that information can be passed on and used and mined in ways that we cannot even begin to imagine once it's on the Internet or in an electronic format.

Giving the minister power to gather personal information about somebody really gives me pause. I will look to the minister. I noticed that when it was introduced, she also had another individual speaking as a proponent of the bill. Maybe they're going to shepherd this bill through, in which case they can come back with the answers for me. But I would really like some very careful boundaries drawn around that. I'd like to know exactly what's being anticipated. I'd like to know what the regs are going to look like on this one.

I was on the health information review a couple of years ago, and we went through that in detail, and still there ended up being a motion that turned into an act – it was brought before the House, I think, last year – that was about giving the police information about

people who were in hospitals. I still disagree with what happened there. I have watched as it is implemented in the community, and we start to collect evidence about how it can be misused or misunderstood.

I look forward to hearing a good explanation from the sponsor.

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

**Mr. Chase:** Thank you very much. I just want to take a quick moment to draw a parallel between Bill 50 and Bill 39 of two years ago, the Traffic Safety Amendment Act, that was brought forward by Richard Magnus. While the primary purpose of Bill 39 was to protect individuals out on the highway, whether they were tow truck drivers, policemen, ambulance operators, 4-H individuals clearing the highway, there was another part in the bill that had to do with seizing the cars used by johns. In that particular case I had a little bit of difficulty because I was thinking that it was not only the john that was being punished but it was the john's family in the sense that, you know, if the fellow is out driving and doing his nefarious business, his wife was punished twice because this chap was seeking other forms of illicit satisfaction, so she was hurt in that sake, but she was also then deprived of a vehicle.

The difference between that Bill 39 and this Bill 50 is the fact that we're talking about criminals. It's black and white as opposed to the greyness of the johns and the loss of their vehicles. That's why for most reasons I'm supportive of this particular bill, the Victims Restitution and Compensation Payment Amendment Act. I believe that victims should be compensated. There are various forms. It can be monetary. It can be in the form of restitution. It can be in the form of services rendered for the damages done. In the case of youth involved in vandalism, it may be part of the restitution or compensation, cleaning up the graffiti that was sprayed on the garage wall or repairing the fence where the pickets were punched or kicked out. It doesn't always have to be a monetary situation.

As the Member for Edmonton-Centre pointed out, I too have a concern that the fund, at least the victims of crime fund, which she connected to Bill 50, continues to grow as opposed to paying out to the individuals who suffered the offence in the first place. Therefore, I would like to think that there would be strong and clearly identified regulations as to how and when and to what degree the compensation would be paid out and under what circumstances an individual was able to apply to receive that compensation.

The government does a very good job in terms of laying out the legislation. The unfortunate other half of it, though, is the regulations that enforce the legislation. It's a complete package, and I'm hoping that not only ourselves as elected representatives of the people but the people themselves will have a chance to see the regulations on how the restitution and compensation is collected and stored for, hopefully, a very short period and then paid out to the victims.

**9:30**

The Member for Edmonton-Centre also pointed out another area that I have concern with, and that has to do with the powers of the Lieutenant Governor in Council. "The Lieutenant Governor in Council may make regulations." That's fine providing those regulations are transparent and we have a chance to understand how these regulations will be not only drawn up but also enforced. If that part of the legislation surrounding Bill 50, Victims Restitution and Compensation Payment Amendment Act, 2008, if that information can be provided – as the hon. Member for Edmonton-Centre pointed out, the type of information that is collected and the manner in which it is potentially shared is also a concern. If the individual is

convicted of a crime, we have the court documents. We have the charges. We have the track record, and that is a public document. But if the person is charged but not proven guilty, then the potential of this information – or in the case of being found not guilty, the misinformation – being shared, is a concern.

I do believe the intent of Bill 50 is good, and hopefully the victims of the crime will be in receipt in a speedy fashion of the appropriate compensation as opposed to letting it build up as has currently been the case with victims of crime.

So if the government can deal with the protection of information, if the government is willing to lay out the regulations so that everyone knows what rules we are being governed by, the rules of the game, so to speak, then I won't have any difficulty in supporting Bill 50 and recommending to my caucus colleagues that they do the same.

With that, Mr. Speaker, I would like to move adjournment of Bill 50.

[Motion to adjourn debate carried]

### Government Bills and Orders Committee of the Whole

[Mr. Cao in the chair]

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

#### Bill 29 Alberta Capital Finance Authority Amendment Act, 2008

**The 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. Chairman. Alberta Capital Finance Authority: don't we love it. The reason this has sort of stayed in committee for quite a while is that I had raised some concerns about what the changes would do and that there was a sort of consequential effect. Unfortunately, I haven't brought it with me, but we were able to come to an agreement, and I believe that we will see something regarding this act come through under miscellaneous statutes that is going to address most of the concerns that I had with the situation that got created by this act.

Essentially, my concern was that it was going to open it up for private companies to be able to borrow out of a fund that is intended clearly to be for municipal governments, health authorities, school boards. It's meant to be for public institutions to be borrowing money to build various things. The wording that resulted following the amendments contained in this bill would have made that possible, and I really felt that that was not right. I think originally it was in there around private providers of nursing homes, but I felt that there was a loophole that really needed to be sewed shut, and I think we have achieved that.

I'll be honest. I mean, I'm not over the moon about having something moved out of legislation and into regulations. I'm never happy about that. I think it serves citizens better if they've got very easy, ready access to information on what we're doing in legislation, and that really only comes when the statute has been through the Legislative Assembly. Moving anything out of legislation into a regulation makes it very hard to find, and frankly it allows decision-making of a very large order to take place behind closed doors. As lovely as my colleagues across the way are and as well intentioned as I'm sure every single one of them in their tiny little cotton socks

are, this is still a government that does a lot of decision-making behind closed doors. It's not transparent, it's not accountable, and I think that's very problematic. I'm not standing here with a huge caucus in government, clearly, so I don't always get to win those particular battles, but I'll put my concerns on the record nonetheless.

We've had the bill get quite a bit of debate, actually, considering that it's a one-page bill. Essentially, it's moving the borrowing limit under regulation, as I said, which I think is problematic because we no longer have checks and balances or sort of public debate on it. It does allow the Capital Finance Authority to continue lending money to its shareholders and may even expand that ability, and it increases lending. The increased lending capacity may allow for more use of alternative financing. So P3s, I think, could probably get allowed through this, and I loathe P3s. I just do not think that they work. Today I saw something about a school in Abbotsford that was paid for by the government at the time. By P3 it cost them \$2 million. They're now looking at \$3 million worth of repairs because it leaks like a sieve, and they've had to buy it back from the P3. [interjections]

9:40

I hear some of my colleagues from the rump over here disparaging union-built things. Frankly, I doubt that it was because I find that union built is actually usually of a higher quality, and certainly the workers are much safer as they build it. Anyway, I know that P3s are a touchy subject. It's always very interesting how touchy people are about P3s. You just have to mention them, and the whole place wakes up. Maybe you should be grateful to me at 20 to 10 that I've got your blood flowing again.

I still don't like P3s. I really don't think that they should be allowed to borrow money through the Alberta Capital Finance Authority. I don't think that's what this is intended for, and I sure hope we don't see the government using it for that. Frankly, how would I or any citizen in Alberta know? This will all be done through decision-making behind closed doors. As much as the government continues to like to put out there that they're open and accountable, oh, boy, they are not.

I had asked questions about risk. I'd asked how many class B shares had been held by the regional health authorities and if those were now shifted to the superboards. I'd raised the issues that concerned me around private corporations being able to borrow from the fund. As I say, I think that's been addressed to my satisfaction. So aside from the very real concerns I have about the possibility of this being used for P3 financing, which I think would be horrid, I'm willing to reluctantly agree to this legislation.

Thank you.

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

**Mr. Chase:** Thank you very much. I'll be very short. There were two concerns, going into this bill. The first was that it took the limit that had previously been in the area of \$5 billion and raised it to \$7 billion, and it appeared to be at first look not necessarily well supervised, lacking in oversight. I believe the government has tightened up the clause in terms of defining who is capable of borrowing from this fund, and I believe the government either through an amendment or through a change in process has more clearly defined that it's public as opposed to private. This was a major concern.

If the hon. Member for Edmonton-Centre has a loathing circumstance towards P3s, I would add fear and loathing to that concern. My concern is that the responsibility that the government should have basically does not last the length of the time of the 32-year

mortgage, as is the case of the 18 P3 schools, potentially the 32. However, this bill, I gather, to a greater extent clarifies that it won't be private companies coming to the public bank to borrow the money. These will be public institutions that will benefit as opposed to private, for-profit at public expense.

The other concern I had was and continues to be the oversight aspects. The hon. Member for Edmonton-Centre basically stated that the fear that we have is that we won't potentially ever know and neither will the public unless the details of the loan agreements are clearly laid out. Sometimes when there is a public-sector comparator and so on, we eventually get to see what bids were made, and that doesn't destroy a company's competitive nature. But without knowing under what circumstance a loan was granted and for what amount and the payback conditions, then that lack of transparency and accountability would cause anyone concern, whether they were a member of Public Accounts, as I am, or just a person who believed in accountability.

The government has the opportunity with its power base and its election results to do things right, and that is to clearly lay out the regulations under which loans can be provided. I would encourage the government to do so because what Albertans need to have is a restoration of faith.

In the last election only 40 per cent of eligible Albertans were sufficiently enthused about the democratic process in this province that they turned out, and only 21 per cent of eligible voters provided the government with the mandate. Personally, I am more interested in good government as opposed to whether I am part of that government or not. My bottom line is transparency and accountability to the individuals who elected all of us.

If spelling out the rules and providing the transparency and accountability can be achieved on that side of the House, then I would support the government in the passing of Bill 29, the Alberta Capital Finance Authority Amendment Act, 2008.

**The Chair:** Seeing no other member who wishes to speak, the chair shall call the question.

[The clauses of Bill 29 agreed to]

[Title and preamble agreed to]

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

**Hon. Members:** Agreed.

**The Chair:** Opposed? Carried.

#### **Bill 42 Health Governance Transition Act**

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

**Mr. Hehr:** Thank you very much, Mr. Chair. I do have a few comments to make on the Health Governance Transition Act. If we look, this looks like a pretty significant bill as it basically opens up with the dismantling of AADAC and the Alberta Cancer Board. If we look at those two things standing alone, that seems fairly ominous, and it leads me to have some pause for concern as to what, in fact, is going to happen in the future with this, of course, transition act – clearly, it states exactly what it is, a transition act – in that we don't know what is coming.

You know, we've had now a superboard established, but we don't really know where that's going to go. It looks like these two fine organizations, that have, I believe, served the public quite well, are now all of a sudden at the stroke of a pen gone with really no discussion, no preamble, no heads-up to either organization that this was in fact coming, no planning, no discussion as to what is going to replace these, how these organizations are going to continue to operate, what is their mandate, all of this stuff that sort of leads to a great concern as these are two very important organizations to the Alberta people.

**9:50**

Look at AADAC specifically. I read a report recently that every man, woman, and child in Alberta spends on average \$892 gambling a year in Alberta. I guess that's because we have a great deal of gambling choice, you know, many slot machines and VLTs around that we can deposit our money in. If it looks like every man, woman, and child can spend \$892 gambling, it leads me to believe that we can still in some manner afford a strong public health care system, which is, hopefully, what the transition act is leading to, a continuation of a strong public health care system. Any society that can spend \$892 per man, per woman, per child on gambling can afford a properly funded public health care system.

Needless to say, AADAC was also helping to assist some of those people who were becoming addicted to many of these insidious machines that are popping up all over our Alberta landscape. For instance, we had capped VLTs back in I think it was 1996 at 6,000 VLT machines. Well, since that time there has been a growth of possibly 20 to 30 casinos that have seen an abundance of these slot machines, that are now essentially the same thing as VLT machines, all over the place. Guess what? AADAC was trying to be there to be on the front lines to help these people get over their addiction.

Turning to the Cancer Board, clearly a leader in medical professionalism here in Alberta, it has done many great things on the research front as well as the treatment front, and all of a sudden, poof, gone, like I said, at the stroke of a pen. It leads us to, I guess, the core of this thing: how long has this been in the works? If it was in the works, how come it hasn't been discussed in public before this, before this Legislature session or maybe in the last election campaign? Why wasn't this discussed? Why haven't there been plans sort of laid in place to say: "Hey, we see what can possibly be better for Albertans, and we think it's this direction, going to one big board and going to an elimination of AADAC and our cancer boards. You know what? X, X, X, and Y can happen because of that."

But, no, we haven't seen any discussion as to the reasons why. We've merely been told that something is coming down the pike and: brace yourself, Marge; here it comes. I for one actually hope that we keep some semblance of what, in fact, was working in our public health care system and not go too far down a path of what may be coming down the pike as to more privatization, more resources of money, more GDP spent on private health care.

Those are my concerns, more on what is coming down the pike and whether this has actually been an exercise in planning or whether it's simply been a knee-jerk reaction to a perceived way to get out of some political hot water, that we'll appear to be doing something when, in fact, we are just sort of rearranging things, sort of pulling the wool over people's eyes and maybe doing more harm than good.

Those are my comments. Thank you for the opportunity to speak here tonight, Mr. Chairman.

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



**Mr. Chase:** Thank you very much. I share a similar concern to the hon. Member for Calgary-Buffalo, and that's the concern, basically, of loss, a vacuum, a hole. I think what symbolizes this type of hole in health care is the blowing up of the General hospital. There was a very dynamic and dramatic hole left where once there was a hospital that served thousands of patients. That hospital had wings that were newer than the Calgary Foothills hospital. The loss of that hospital will stand out for the rest of Alberta history and time as, in my opinion, a major mistake. That mistake was compounded by the loss of the Grace hospital, which provided absolutely fantastic services in health for women. Then the government wasn't sufficiently satisfied with blowing up a hospital and selling off another. They fire-sold the Holy Cross hospital to friends of the government, the Huang brothers of Multi-Corp fame.

What we have is loss, and the type of loss I've also seen is what's happened more recently with the Belcher hospital in Calgary, the old Belcher. Great promise was suggested. It was going to be the Sheldon Chumir. The Health on 12th was another way. It was going to replace a very practical downtown clinic, and that was the 8th and 8th clinic, offering a whole variety of services beyond just the obvious treating the body. There was the treating of the mind because the 8th and 8th connected people to a variety of services. Of course, the Belcher hospital, after a fashion, was moved as opposed to lost, but the space that is now occupied by the Sheldon Chumir hospital is not functional because there hasn't been sufficient support provided. Instead of that public institution and the healing and the urgent care that it was set up to provide, we have just down the street the private Copeman clinic.

With this Bill 42, Health Governance Transition Act, we lose organizations like AADAC or they're broken up and they're piecemealed off to some other centralized system that we've yet to get the details of. Then we lose the Cancer Board. We've already lost the promise of the Tom Baker cancer centre.

What are the chances? Who's going to speak up on behalf of individuals suffering from addictions, whether it be gambling, as the Member for Calgary-Buffalo pointed out, or drug circumstances? Who's going to speak out for cancer care in this province without the money that the Tom Baker cancer centre was promised? I realize that we have a cancer centre in Edmonton, that is very much oversubscribed and needs to be expanded. Here we have two historically functional supportive organizations now gone, and we have no idea. A vacuum has been created, and we don't know what they're going to be replaced by. Is it going to be contracted out to private agencies for profit at public expense? I don't know. I'm assuming that someone on the government side has those answers.

Maybe it's under the sole auspices of the minister of health as part of a centralization plan, but we don't know. I mourn their loss.

**The Chair:** Seeing no other members who wish to speak, the chair will call the question.

[The clauses of Bill 42 agreed to]

[Title and preamble agreed to]

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

**Hon. Members:** Agreed.

**The Chair:** Opposed? Carried.

The hon. Deputy Government House Leader.

**Mr. Renner:** Thank you, Mr. Chairman. I move that the committee now rise and report Bill 29 and Bill 42.

[Motion carried]

[The Deputy Speaker in the chair]

**10:00**

**The Deputy Speaker:** The hon. Member for Rocky Mountain House.

**Mr. Lund:** Thank you, Mr. Speaker. The Committee of the Whole has had under consideration certain bills. The committee reports the following bills: Bill 29 and Bill 42.

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

**Hon. Members:** Concur.

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

The hon. Deputy Government House Leader.

**Mr. Renner:** Thank you, Mr. Speaker. Given the hour I would like to move that the House do now adjourn until 1:30 tomorrow afternoon.

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









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