

# Province of Alberta

The 28th Legislature First Session

# Alberta Hansard

Monday afternoon, October 29, 2012

Issue 10

The Honourable Gene Zwozdesky, Speaker

# Legislative Assembly of Alberta The 28th Legislature

First Session

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Wilson, Jeff, Calgary-Shaw (W)

Woo-Paw, Hon. Teresa, Calgary-Northern Hills (PC)

Xiao, David H., Edmonton-McClung (PC)

Young, Steve, Edmonton-Riverview (PC),

Government Whip

Party standings:

Progressive Conservative: 61 Wildrose: 17 Alberta Liberal: 5 New Democrat: 4

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#### STANDING AND SPECIAL COMMITTEES OF THE LEGISLATIVE ASSEMBLY OF ALBERTA

# **Standing Committee on** Alberta's Economic Future

Chair: Mr. Amery Deputy Chair: Mr. Bikman

Bhardwaj Quadri Ouest Blakeman Rogers Donovan Dorward Sandhu Sherman Eggen Fenske Smith Goudreau Starke Hehr Strankman Jansen Towle Luan Young McDonald Vacant Olesen

#### Standing Committee on the Alberta Heritage Savings **Trust Fund**

Chair: Mr. Quest Deputy Chair: Mrs. Jablonski

Anderson Casey Dorward Eggen Kubinec Sandhu Sherman

#### Select Special Conflicts of Interest Act Review Committee

Chair: Mr. Allen Deputy Chair: Mr. Luan

Blakeman Dorward Fenske Johnson, L. McDonald Notlev Saskiw Wilson Young

#### **Standing Committee on Families and Communities**

Chair: Ms Pastoor

Deputy Chair: Mrs. Forsyth

Allen Leskiw DeLong Luan Fox McAllister Fraser Notley Fritz Pedersen Jablonski Sarich Saskiw Jansen Jeneroux Swann Wilson Johnson, L. Kang Young Kubinec Vacant

Lemke

Kubinec

## **Standing Committee on Legislative Offices**

Chair: Mr. Xiao Deputy Chair: Mr. McDonald

Bikman Blakeman Brown DeLong Eggen Leskiw Quadri Rogers Wilson

#### **Special Standing Committee** on Members' Services

Chair: Mr. Zwozdesky Deputy Chair: Mr. Young

Calahasen Dorward Forsyth Goudreau Jablonski Mason Ouest Sherman Smith

#### **Standing Committee on Private Bills**

Chair: Mr. Cao Deputy Chair: Ms L. Johnson

Barnes Notley Bhardwaj Olesen Pastoor Brown DeLong Rowe Sarich Fox Fritz Starke Goudreau Strankman Jeneroux Swann Kennedy-Glans Webber Luan

# **Standing Committee on** Privileges and Elections, Standing Orders and Printing

Chair: Dr. Starke Deputy Chair: Mr. Lemke

Allen McAllister McDonald Amery Notley Bhardwaj Pedersen Casey Sandhu Hehr Saskiw Jansen Towle Jeneroux Xiao Johnson, L. Kennedy-Glans Young

# **Standing Committee on** Public Accounts

Chair: Mr. Anderson Deputy Chair: Mr. Dorward

Allen Hale Amery Hehr Anglin Kang Bilous Pastoor Calahasen Quadri DeLong Sarich Donovan Starke Fenske Stier Webber Fraser Fritz

# **Standing Committee on** Resource Stewardship

Chair: Ms Kennedy-Glans Deputy Chair: Mr. Rowe

Anderson Hehr Anglin Johnson, L. Barnes Kubinec Bilous Lemke Blakeman Leskiw Brown Sandhu Calahasen Stier Cao Webber Xiao Casey Fenske Young Vacant Fraser Hale

# Legislative Assembly of Alberta

1:30 p.m.

Monday, October 29, 2012

[The Speaker in the chair]

#### **Prayers**

**The Speaker:** Let us pray and thereafter remain standing for the singing of our national anthem. As we begin this week of our duties in this Assembly, we ask for renewed strength and guidance regarding the tasks that will come before us. We also ask that wisdom, patience, and civility guide our speech and our actions. Amen.

Hon. members, our national anthem today will be led by Mr. Paul Lorieau. Please join in as you wish and in the language of your choice.

#### Hon. Members:

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

The Speaker: Merci beaucoup, M. Lorieau, and thank you, members. Please be seated.

# **Introduction of Visitors**

Mr. Dallas: Mr. Speaker, I rise to introduce to you and through you to all members of the Assembly Mr. Fabrizio Inserra, consul general of Italy in Vancouver. I'd like to welcome Mr. Inserra to Alberta on his official visit. The consul general joins us today in the spirit of the valuable and productive relationship Alberta and Italy share. Alberta enjoys a strong and vibrant Italian community, and our government is grateful for the relationships we have built both here and abroad. Our jurisdictions share many important partnerships in trade, industry, and education. I'm confident that this visit to our province will help strengthen current areas of cooperation and help identify new opportunities for future relations. Mr. Inserra is seated in the Speaker's gallery today to watch our proceedings, and I'd now ask Consul General Inserra to please rise and receive our best wishes along with the traditional warm welcome of this House.

# **Introduction of Guests**

Mr. J. Johnson: Mr. Speaker, it's a pleasure to rise and introduce to you and through you to members of this Assembly a great-looking and very smart group of students from Rochester, which is a small town in my constituency, just south of Athabasca. It's a beautiful little community nestled in the Tawatinaw Valley. We're thrilled to have these kids, their teacher, their classroom volunteer, and their bus driver here taking part in the School at the Leg. this week. I would ask them to please rise and receive the traditional warm welcome of this Assembly.

**The Speaker:** The hon. Member for Lesser Slave Lake.

Ms Calahasen: Thank you, Mr. Speaker. What a pleasure it is to

rise to introduce to you and through you to members of this Assembly nine great minds from Smith, Alberta. They attend Smith elementary school. It's approximately two and a half hours from here, depending, of course, on the weather. This time they're here, and they've made it pretty good. They're seated in the members' gallery, and I'd ask that they stand along with their principal, Mrs. Brenna Liddell, and teacher, Mr. Andrew Jansen, to receive the warm welcome of this Assembly.

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

Mr. Mason: Thanks very much, Mr. Speaker. I'd like to introduce to you and through to this Assembly a group of guests who are members of the Alberta Union of Provincial Employees. These workers represent nearly 90 licensed practical nurses, health care aides, housekeepers, and food service staff who have been locked out of Monterey Place in Calgary since June 26. Their employer, Triple A Living Communities, receives a financial subsidy from this government. However, instead of giving these hard-working individuals the wages they deserve, Triple A has been paying wages up to 27 per cent lower than industry standard while padding their bottom line. Alberta's NDP is proud to stand with these workers during their struggle. I would now ask my guests to rise as I call their names and receive the traditional warm welcome of the Assembly: Carrie-Lynn Rusznak, Maria Doris Auman, Anna Barroga, Trevor Zimmerman, Carmelita Calanza, Mayna Joseph, Maggie Junio, Jill MacMullin, Sadhna Nand, and Nafisa Sadat. Please welcome them with me.

The Speaker: The hon. Minister of Transportation.

**Mr. McIver:** Thank you, Mr. Speaker. I'm happy to rise today to introduce to you and through you to this Assembly 14 employees from Alberta Transportation. The traffic safety services division staff are here today to tour the Legislature Building and to witness the democratic process first-hand. They are seated in the members' gallery, and I'd ask that they please rise and receive the traditional warm welcome of this Assembly.

The Speaker: The hon. Minister of Health.

Mr. Horne: Thank you very much, Mr. Speaker. It's my pleasure to introduce to you and through you to all members of the Assembly two members of the board of Alberta Health Services: Mrs. Cathy Roozen and Dr. Ruth Collins-Nakai. Mrs. Roozen serves as the vice-chair of the board and was first appointed in February 2011. Dr. Collins-Nakai has served on the board since July of 2008. Later today I'll be tabling the annual report of Alberta Health Services. I'd like to take this opportunity to thank our guests today for their contribution to the improvement in our health care system over the last few years. Please join me in welcoming them to the Assembly.

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

Mr. Hehr: Thank you, Mr. Speaker. I would like to introduce to you and through you to all members of this Assembly a couple of very good friends of mine: Mr. Brodie Boychuk and his mother, Donna McBride. Brodie is a constituent of mine in the mighty constituency of Calgary-Buffalo. He's my eyes and ears on the east side of the constituency as my office and my house are down in the west. But let me tell you something. Brodie lets me know what's going on. In fact, the hon. Minister of Human Services received a letter from Brodie recently, and the hon. minister

agreed with his position. So we're moving the chains forward on the democratic process as well.

I would also like to introduce his mother, Donna, who is the manager of financial literacy for Momentum, a Calgary nonprofit group, and who does everything she can to ensure that Brodie and other individuals with disabilities in the community can live independent and engaging lives.

They are seated in the public gallery, and I would ask them to receive the traditional warm welcome of this Assembly.

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

**Mr. Saskiw:** Thank you, Mr. Speaker. It is a pleasure for me to introduce to you and through you to all members of this Assembly Michael Stuart. Michael is a second-year commerce student at the U of A, majoring in accounting, who resides in the constituency of Edmonton-Centre. He was born and raised in B.C. but is now proud to call Alberta home. In his words, he has fallen in love with this province. His long-term goals are to complete extensive education and run for office one day. I would ask that Mr. Stuart stand and receive the traditional warm welcome of this Assembly.

1:40

Mr. McDonald: Mr. Speaker, I'm pleased to introduce to you and through you to the members of the Assembly the board of governors from Grande Prairie Regional College. They're here visiting the Legislature while in Edmonton for their annual retreat. They are excited about the upcoming partnership with Alberta Health Services as funding for the Grande Prairie regional hospital was announced last week. Approximately 4,000 metres of the hospital will be available for the nursing and medical careers program with the Grande Prairie Regional College to create an educational training facility. I am proud to introduce to you Mr. Don Gnatiuk, CEO and president, and Mr. Vince Vavrek, chair of the board of governors. I'd ask that the 17 guests with us here today please rise for the traditional warm welcome of the Assembly.

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

**Dr. Swann:** Thank you very much, Mr. Speaker. I want to introduce to you and to all members of the Assembly two familiar faces to many of you in the Legislature. They've been attending the Legislature regularly for eight years. They stand before the Assembly to remind this government that farm workers are persons in the dominion of Canada and that they have the same rights as any and every other person in this great dominion. They're here to remind the Premier once again and ask her when she will deliver on her promise to include farm workers in the protection under occupational health and safety, workers' compensation, and standards for child labour in this province. I'll ask Darlene Dunlop and Eric Musekamp to stand and receive the warm welcome of the Assembly.

#### **Ministerial Statements**

The Speaker: The hon. Minister of Education.

#### **Racette School Vehicle Crash**

**Mr. J. Johnson:** Thank you, Mr. Speaker. It's with great sorrow that I rise today to talk about a tragic event that has saddened all Albertans and, indeed, people right across this country. When we send our children off to school, we believe we are sending them to

a place where they can feel safe and secure. Last Thursday that sense of safety was shattered when a van drove through a window of a junior high school in St. Paul. This tragedy has forever altered so many lives.

To the family of grade 6 student Megan Wolitski, who wanted to grow up and be a teacher like her mom: we wish you strength. The loss of such a young life is heartbreaking and difficult to comprehend. Please know that our thoughts and prayers are with you. To the families of the other children who were injured and some who are still in hospital, we send our prayers for their speedy recovery.

Mr. Speaker, people in the community of St. Paul will be experiencing grief as well as shock, confusion, and certainly anger. In situations like this it's often easy to forget that the man who was driving that van has a family of his own, and our thoughts and prayers are also with them.

St. Paul is truly an amazing community, and on Thursday I saw first-hand how the community came together during that crisis. I was moved by the courage I saw amongst the principal and the teachers, who acted quickly to get the children to safety and to help those who had been injured. I saw the tireless work of the emergency responders and the police who rushed to the scene to rescue the children and to rush them to hospitals, and I saw the school trustees and the superintendent, who rallied to support their school community and ensure that counselling services were available. On behalf of all Albertans I want to thank you all. You have all shown tremendous leadership and amazing strength over the last few very difficult days.

Finally, to the students of Racette junior high school: I'd like to convey my sincere condolences for the loss of your classmate Megan and our hope for the quick recovery of your other classmates. I know that all members of this Assembly will be thinking of you, your school, and your community of St. Paul.

Thank you, Mr. Speaker. [applause]

**The Speaker:** The hon. Member for Lac La Biche-St. Paul-Two Hills on behalf of Her Majesty's Loyal Opposition.

**Mr. Saskiw:** Thank you, Mr. Speaker. I rise today to speak to the senseless tragedy that occurred in my constituency in St. Paul last week, where a vehicle drove through the window of a grade 6 classroom at Racette school, resulting in the death of one student and serious injuries to many others. While several students have been treated and released, students are still in the hospital receiving treatment at this time.

I'd like to extend my deepest condolences and prayers to the Wolitski family, dealing with the loss of their daughter Megan, and my thoughts are also with all of the affected families, teachers, and the principal of Racette school.

The response of first responders in St. Paul has been truly amazing in this time of need. The St. Paul Fire Department, St. Paul & District Ambulance Service, and local RCMP acted valiantly and professionally. I'd like to recognize the support of the St. Paul education regional division school board, in particular Superintendent Glen Brodziak and board chair, Maureen Miller, in these difficult times. I'd also like to acknowledge the Member of Parliament for Westlock-St. Paul for his support to families and the community.

Mr. Speaker, I'd also like to thank the Premier for her full support and attention during this tragedy. Despite a busy schedule, the Premier knew every detail as it came forward, and her very hands-on approach helped comfort the community, knowing that this government's support has and will continue to be full and unconditional. That hands-on approach was followed by the

Minister of Education and the Minister of Infrastructure, who quickly travelled to St. Paul and offered that I travel with them to show our support. As a new MLA dealing with what could likely be the most difficult situation in my career, their professionalism and compassion will never be forgotten. I'd also like to recognize the Leader of the Official Opposition and our caucus for allowing me the flexibility to deal with the tragedy on the ground in my constituency.

This tragedy has had a tremendous impact on the town of St. Paul and the whole province. When parents send their children off to school in the morning, they don't expect something like this to happen. Our community is strong, resilient, and courageous, and we will give our full support, love, and prayers to those families.

Thank you, Mr. Speaker. [applause]

**The Speaker:** Hon. members, this is indeed a very tragic and very serious issue, obviously. Members of the Liberal caucus as well as the NDP caucus wish to contribute some comments as well. This requires unanimous consent, as you all know, so I will ask only one question. Does anyone object to hearing comments from the third and fourth parties?

[Unanimous consent granted]

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

**Mr. Hehr:** Well, thank you, Mr. Speaker. It is with great sorrow that I rise today and speak some brief words on the tragedy that occurred in St. Paul. Really, we ask ourselves often in times of tragedy why or how this happens, and there are no easy words or no easy explanations.

My heart especially goes out to Megan Wolitski's family at this time of tremendous sorrow, and I wish them Godspeed in dealing with this tragedy. At the same time I hope they will be comforted by our thoughts here in the Legislature. I know it will take some time and the loss will always be with them in some regard, yet we hope that their healing will be quick.

I look at this, too, from the way the hon. minister and people have responded here in saying how the school community and the broader community have bound together. We must always remember that the public school is often the hub of our school communities. It's where relationships are formed, where the best of our community is brought out. It's a testament to what they do every day that they were able to rise to this challenge and lead the community in a sense of healing. I applaud the teachers and everyone involved with that who are dealing with this crisis and working as hard as they can. By all accounts our first responders did the best they could.

My heart goes out to the families who still have their children in the hospital. I wish them as best a speedy recovery and time to mourn the loss of their good friend Megan.

In any event, I believe it's for us in this Legislature at this time to remember to continue to try to build strong schools, have teachers in schools for not only day-to-day learning but to deal with tragedies like this because the school is the hub.

I would like to just in closing say that my thoughts and prayers go out to everyone in St. Paul. I wish them all the strength in character that I know they have to deal with this situation.

Thank you, Mr. Speaker.

1:50

The Speaker: Thank you.

Hon. members, I'm going to hold the clock back before we start question period to allow the hon. Member for Edmonton-Calder to address his comments on behalf of the NDP opposition.

**Mr. Eggen:** Well, thank you, Mr. Speaker. Today our thoughts and prayers go out to the families and friends of those affected by the terrible accident in St. Paul last Thursday. This is surely a most difficult and heartbreaking time for everyone involved.

We stand together with all Albertans in offering our sincerest condolences to the friends and family of Megan Wolitski, who passed away last Friday. No doubt her absence will cause a great deal of grief and suffering for everyone who has known her. Nothing is more tragic than a life taken too soon.

We also pray for the well-being of the two girls still in hospital, that they are able to make a full recovery and rejoin their classmates soon.

Our condolences, finally, to the community of St. Paul. St. Paul is a very tight-knit and caring community, and their resolve in this situation has been an inspiration to all Albertans. The healing road is often a long one, but the people in St. Paul should know that here at the Legislature we walk with them every step of the way.

Thank you.

#### **Oral Question Period**

**The Speaker:** The Leader of Her Majesty's Loyal Opposition.

**Ms Smith:** Thank you, Mr. Speaker. My thoughts are also with the families and the community as they overcome this tragedy.

#### **Political Party Financial Contributions**

**Ms Smith:** Turning to the business of the day, Mr. Speaker, Alberta's reputation has been damaged. Our election financing process looks like it's been broken by abuse. We have asked the Chief Electoral Officer to investigate the enormous and potentially illegal contribution from a single source to the government party. But even if the contribution is technically legal through a loophole in the existing law, it means the law is deeply flawed. When will the government fix it?

**The Speaker:** Did you wish to direct that question to anyone in particular?

The hon. President of Treasury Board.

Mr. Horner: Thank you, Mr. Speaker. Certainly, the Chief Electoral Officer is an officer of this Legislative Assembly, and we respect that on this side of the House a great deal. We believe that he is discharging his duties under the legislation that he has in front of him, and he's doing a good job doing that. Of course, the party opposite doesn't really want to talk about its own history in this regard in terms of that sort of thing. Perhaps in the 2004 election campaign, when one individual bankrolled 75 per cent of their entire political contributions for that campaign, one must wonder...

Mr. Anderson: Point of order, Mr. Speaker.

The Speaker: A point of order has been noted from the Member for Airdrie

The hon. Leader of the Opposition for her first supplemental.

**Ms Smith:** I look forward to the hon. Member for Airdrie correcting the record.

Continuing on, Mr. Speaker, given that the government's vague answers and insistence that everything is okay have done nothing to restore the public's confidence, surely the Premier must agree that the shell game that is damaging our public's trust has no place in our democracy.

**Mr. Horner:** Again, Mr. Speaker, one talks about shell games across the way. This party has followed all of the rules that are in place. We will co-operate with the Chief Electoral Officer on this matter to a T. But, again, somewhat hypocritical of the party across the way when in the 2007 by-election the same individual who bankrolled 75 per cent of their 2004 election campaign bankrolled 99.7 per cent of that party's contributions. Incredible.

# Speaker's Ruling Questions about Political Party Activity

**The Speaker:** Hon. members, let's be cautioned again that party matters ought not come forward in the form of questions during question period from either side. [interjection] Hon. member, please, from either side. So let's keep this above that threshold, and I'm sure we'll do just fine.

I invite your second supplemental, hon. leader.

#### **Political Party Financial Contributions**

(continued)

**Ms Smith:** Thank you, Mr. Speaker. I'm pleased to hear the hon. member say that this could easily be cleared up because while the Chief Electoral Officer does his work, there is a very simple way for the Premier to repair some of the damage in the meantime. The Premier campaigned on transparency. She could simply release the cheques and the deposit slips. Why won't she?

**The Speaker:** President of Treasury Board, you may respond if you wish. Otherwise, let's be reminded of the admonishment I just gave.

**Mr. Horner:** Agreed, Mr. Speaker. Again, I will restate what the Premier has said many, many times. We will comply with all of the Chief Electoral Officer's requests in this matter. We have always followed the rules, as I'm told the party across the way has as well. It's obviously clear that they saw nothing wrong in the past with those donations, like in the 2008 election campaign where a single individual bankrolled nearly a quarter of that party's contributions. A bit hypocritical.

**Ms Smith:** Mr. Speaker, the Alberta Investment Management Corporation, AIMCo, is a Crown corporation that manages \$70 billion worth of Alberta's financial assets. Daryl Katz is on the board of AIMCo. He is also at the centre of this donations mess, and his two largest business interests, hockey and drugstores, are affected by government decisions. Even if this doesn't bother the Premier, can't anyone in this government understand that that makes Albertans just a little bit uncomfortable?

**Mr. Horner:** Well, Mr. Speaker, this side of the House does not drag private individuals through the mud and besmirch them with innuendo, making accusations of almost criminality. I find that absolutely deplorable. Mr. Katz is one of nine individuals on our AIMCo board. Frankly, AIMCo did better than most mutual funds or sovereign funds in the last several years. The board sets the overall strategic direction for the corporation and oversees that development. The individuals on that board have served Alberta taxpayers extremely well.

**Ms Smith:** Mr. Speaker, let me connect some dots. Given that a quarter of the government's election donations are said to be from a single source and given that that source wants \$100 million from the government for a hockey arena and he sits on the board of a

Crown corporation that invests \$70 billion of assets owned by Albertans, doesn't anyone in this government have a problem with that?

**The Speaker:** Hon. members, let's be careful with our language. Suggesting that the government received election contributions during the election period may be crossing the line, but I'll leave it up to the President of Treasury Board to respond if he wishes.

**Mr. Horner:** Mr. Speaker, again, the accusation is against an individual, of doing something illegal. I think that individual outside of this House would have something to say about that as well as the associates that are with him. Perhaps the hon. members would like to make those accusations outside the doors.

I find it incredible that they're saying that we have bent to his will of some sort. The actual fact is that the Katz Group asked for a change in casino licences. We said no. The group asked for direct funding for the arena. We said no then; we say no today. That has been our position, and it will continue to be our position.

**Ms Smith:** Mr. Speaker, let me give you some more dots to connect. Daryl Katz's partner in the arena project, WAM Development Corp., also receives hundreds of millions of dollars for joint land development projects with AIMCo. Katz, AIMCo, WAM, arenas, donations: doesn't anyone in this government have a problem with that?

**Mr. Horner:** Well, Mr. Speaker, next they'll probably be suggesting that I was at the grassy knoll when JFK was assassinated.

There are a number of dots that also could be connected. In the 2008 election campaign one individual funded a quarter of that party's total electoral campaigns. What was he asking them? Did he buy himself a party, Mr. Speaker? I don't know.

# **Funding for Professional Sports Arena**

Mr. Anderson: Mr. Speaker, on Thursday this Premier stated that no direct provincial government funding would be used to pay for Mr. Katz's new downtown arena. Yet the mayor of Edmonton, when asked last month if he expected to get \$100 million of arena funding from the province, stated that he was very confident that, quote, a program will be in place and would allow us to get that kind of funding needed from the province for the balance of the arena; we feel the province has been in great support and the money will be there. Unquote. Premier, who is telling the truth, you or the mayor of Edmonton? Has the province promised funding for Katz's arena?

2:00

**Mr. Griffiths:** Mr. Speaker, we have had MSI funding in place for a while now. It's a very clear program with very clear guidelines that send money to municipalities so they can decide the priorities of the people they represent. This opposition is consistently criticizing the city of Edmonton for using those funds for the arena even though they're supposed to say that they respect the municipality's right to make decisions. I have yet heard the opposition, the Member for Airdrie, criticize his mayor for putting \$3.5 million in MSI funds to renovate the Plainsmen Arena or the Member for Calgary-Foothills – \$10.1 million in MSI funding went to the field house down there.

**Mr. Anderson:** So local arena equals professional sports arena. Good comparison, Minister. Real good job.

Mr. Speaker, just for all the folks at home who don't understand the weaselly language around here: Premier, will there be any provincial funding for the arena at all? That means any direct funding, indirect funding, grant funding, delayed funding, ongoing funding, outgoing or incoming funding, backdoor funding, front door funding, side funding, up or down funding. Has the province committed any kind of funding whatsoever for this professional sports arena? [interjections] Come clean, Minister.

Mr. Griffiths: Mr. Speaker, it doesn't matter what plan they have. I just spoke to the mayor today, and this arena would be solely owned by the municipality. Solely owned by the municipality. [interjections] The only thing weaselly going on is the insinuations consistently from this member attacking the city of Edmonton for deciding where MSI funding, provided by the province to municipalities, where they decide the priorities of the people of the municipality. [interjections] All he can criticize is northern Alberta, but his constituency seems to be exempt, and they can spend money on public arenas.

# Speaker's Ruling Decorum

**The Speaker:** Hon. members, I am going to keep a list of people who are interjecting, and I will bypass you when your turn comes around if you persist in future interjections, okay? I don't care if it's question period, and I don't care that it's Monday. I will not tolerate more of that stuff. You might as well know it right now.

The hon. Member for Airdrie.

# Funding for Professional Sports Arena (continued)

**Mr. Anderson:** Mr. Speaker, I'm sure sick Albertans and poor Albertans are real happy that this minister is willing to spend \$100 million on Mr. Katz's priorities. Way to go, Minister.

Mr. Speaker, if the mayor of Edmonton says that he has been assured by the province that the needed taxpayer funding will be made available in some way or fashion for this new pro arena, how can Albertans be sure that this funding wasn't only made available after Mr. Katz trucked over \$430,000 to the PC Party in their darkest hour of election need? In other words, how do we know that this decision was nothing more than pure political payback?

**Mr. Griffiths:** One more time. We fund MSI, which goes to municipalities so they can decide the priorities of the people they represent. We're not taking any money from the sick or impoverished, Mr. Speaker. In fact, the hon. member across the way just last week said in a question in this House: our Wildrose leader is proposing a lottery strategy to help keep the Oilers in Edmonton, which will keep taxpayers off the hook. This is lottery money that goes to not-for-profits and charitable organizations, but they are going to rip it from them and give it to a private professional arena.

**The Speaker:** The leader of the Alberta Liberal opposition.

# **Election Finances Legislation**

**Dr. Sherman:** Thank you, Mr. Speaker. Let's bring some reason to the House and stick to the real issue. The Conservative government is once again fending off accusations of improper election contributions because Alberta's election finances law leaves holes you could drive a truck through. The current rules do nothing to prevent large contributions to all leadership candidates

in all political parties from companies, unions, and wealthy individuals. To the Premier: what will the government do to update these laws and put an end to the sale of political influence from any political party to the highest bidder?

**The Speaker:** Hon. member, we're all good up to the point of entering a political party at the end of your question. I'll ask the Minister of Justice if he wishes to comment.

**Mr. Denis:** Thank you very much, Mr. Speaker. I would point out to this member that the very reason we're having the conversation today about contributions gives proof to the fact that the existing system works. We have a system of accountability and an existing system of disclosure. As indicated on the Order Paper, though, I will be introducing some election amendments in the next week or two, and we'll have the discussion at that time.

The Speaker: The hon. leader of the Liberal opposition.

**Dr. Sherman:** Thank you, Mr. Speaker. We all agree that campaign disclosures are a good start, but they're only a start. Given that some disclosures have revealed offshore donations to PC leadership bids, the illegal campaign contributions, and now this massive \$430,000 donation from one small group of individuals, will the Premier commit today to true campaign finance reform by closing the gaping holes in electoral finances legislation, putting hard limits on election and leadership contributions?

**The Speaker:** The hon. President of Treasury Board.

**Mr. Horner:** Well, thank you, Mr. Speaker. I'm certain that the hon. leader of the Liberal party would consider that 22 per cent of his entire 2008 election contributions were not from one individual, I would hope, because then that probably violates the law as well, but that's indeed what happened. The party didn't see anything wrong with the way that their donations came in, nor did the Chief Electoral Officer. That's what we have to date.

I think the minister has commented quite well on where we're going with that act. We will continue to co-operate with the Chief Electoral Officer, an officer of this Assembly.

**The Speaker:** The hon. leader for your final supplemental.

**Dr. Sherman:** Thank you, Mr. Speaker. The federal government tackled these issues years ago with their Federal Accountability Act. With respect to party leadership and campaign finance rules, will the Premier show true leadership and accountability by committing at the very least to take a look at these measures and draft a new, made-in-Alberta policy, better than the Swiss cheese policy we currently have?

The Speaker: The hon. Minister of Justice.

**Mr. Denis:** Thank you very much, Mr. Speaker. Again, I think that we can debate these issues more when we have the Election Accountability Amendment Act on the floor here. I do believe the member may have some input there, and perhaps he'll want to propose some amendments to any legislation that we have. Then on top of that, I will also indicate to him that we will follow as closely as possible the Chief Electoral Officer's recommendations, which I do look forward to receiving.

**The Speaker:** The hon. leader of the ND opposition, followed by the hon. Member for Lac La Biche–St. Paul-Two Hills.

# **Political Party Financial Contributions**

(continued)

**Mr. Mason:** Thank you very much, Mr. Speaker. No reasonable person would believe that Daryl Katz would have given up to \$430,000 to the Tory campaign without getting something in return. There had to be negotiations, and Albertans want to know the terms of the deal. Will the Premier disclose to Albertans whether she, her senior officials, or anyone purporting to be representing her government or having influence with her government committed to anything for the benefit of the PC party's savior?

# Speaker's Ruling Questions about Political Party Activity

**The Speaker:** Hon. members, you know, I don't know how many times I have to remind people about what some of the rules are that we have followed for decades if not centuries, and one of them is to not reference issues pertaining to party issues as such and try to ask someone from the government to account for that. It's specifically not allowed under our rules of play, hon. member, so you may wish to rephrase that question. I will ask the President of Treasury Board nonetheless if he wishes to respond, and then I'll listen carefully to your supplementals.

## **Political Party Financial Contributions**

(continued)

**Mr. Horner:** Thank you, Mr. Speaker. I'll answer the question which was posed to me. Is there any deal between the government of Alberta and the Katz Group – let's put it that way – in terms of the arena? The answer is no. For the umpteenth dozen time the answer is no.

The Speaker: The hon, leader of the ND opposition.

**Mr. Mason:** Thank you very much, Mr. Speaker. Given that the questions that I want to know have to do with the impact on the government and the government's policies of donations to the political party that formed the government and given that I am focusing on the impact of the government and given that the scandal cuts to the heart of Albertans' trust in this PC government, the Premier has a responsibility to come clean, so will she admit that there were, indeed, negotiations with Mr. Katz, a deal was struck, and tell Albertans what price they will have to pay for Daryl Katz bankrolling the PC party?

# Speaker's Ruling Questions about Political Party Activity

**The Speaker:** Hon. member, you were doing so well until that last little part. This is the last time I'm going to say this in this House on this issue, okay? I'm going to ask the President of Treasury Board if he wishes to comment. If he does, he's welcome to do so, and after that, no more. We're not going to stand here and watch rules being broken.

The hon, member.

# 2:10 Political Party Financial Contributions (continued)

**Mr. Horner:** Mr. Speaker, there were a lot of givens in there and a lot of preamble to that last question, but I want to say a couple of

things. First of all, donations do not impact government policy. That's the first thing.

The second thing that I would – and this is for clarity to the members opposite as well. The question to me, as I understand it, was: did the Katz Group have discussions with anyone in government about us potentially funding, direct funding, or whatever funding the Edmonton Oilers and their arena? The answer, Mr. Speaker, is no, we did not enter into any agreements with them to do that. There were also discussions from members opposite about whether or not we had discussions around changing casino rules. I can say that the request was made to us to do that. We said no, Mr. Speaker, for the umpteenth dozen time.

**The Speaker:** The hon. leader of the ND opposition for your final question.

**Mr. Mason:** Thank you very much, Mr. Speaker. Well, given that reasonable people may reasonably assume that by taking a \$430,000 donation, the government is subject to undue influence, will the government do the right thing and give the money back?

**Mr. Horner:** Well, Mr. Speaker, I'm sure that the Chief Electoral Officer is reviewing whether it came in in \$10 or \$30,000, that it didn't come in from one individual. That's the first point that I'll make.

The second point that I will make, Mr. Speaker, is that I'm sure the hon. member is reasonable, and a reasonable person would understand that when I say that there's no deal, there's no deal. So I am hoping that the hon. member, through you, is being reasonable about his understanding of the English language. It's no, Mr. Speaker.

The Speaker: Thank you.

Member for Airdrie, you had a point of order? So noted. The hon. Member for Lac La Biche-St. Paul-Two Hills, followed by the Member for Grande Prairie-Smoky.

# **Election Finances Legislation** *(continued)*

Mr. Saskiw: Thank you, Mr. Speaker. Alberta's election laws are quickly becoming the biggest joke across the country. In this past year alone the Wildrose discovered that the PC Party had received and solicited tens of thousands of tax dollars in illegal donations. Only when they were caught with their hands in the cookie jar did they call in the Chief Electoral Officer for recommendations to help clean up their mess. Will the Justice minister then simply reveal to the Legislature the Chief Electoral Officer's report and recommendations today, or will he continue to hide behind this government's pattern of secrecy?

**Mr. Denis:** Mr. Speaker, if this member has a particular complaint about any particular financing, I suggest he go and talk to the Chief Electoral Officer, who is an independent officer of the Legislature. He does not report to me. He does not report to anybody else.

Thank you.

The Speaker: The hon. member.

**Mr. Saskiw:** Thank you, Mr. Speaker. Given that in 2009 this Premier, who was then the Justice minister, ignored the advice of the previous independent Chief Electoral Officer, will this government implement all recommendations in the upcoming

report or just those that allow their culture of corruption and entitlement to continue?

**Mr. Denis:** As I have previously indicated publicly in this Chamber, we will endeavour to follow the Chief Electoral Officer's recommendations as closely as possible. His recommendations will also be made public, Mr. Speaker, and at the same time every member of this Assembly will have the opportunity to go and view and actually propose amendments and debate the Election Accountability Amendment Act. I would encourage the Member for Lac La Biche-St. Paul-Two Hills to stand up and do so and participate.

The Speaker: The hon. member.

**Mr. Saskiw:** Thank you, Mr. Speaker. Given that almost a third of this government's campaign donations came from, essentially, one person, will this Justice minister recognize that accepting a \$430,000 donation . . .

Mr. Hancock: Point of order.

**Mr. Saskiw:** ... would clearly violate the law or at least commit to amending the elections act to close what amounts to another massive PC loophole?

# Speaker's Ruling Questions about Political Party Activity

**The Speaker:** All right, that's it. If you want me to take up the rest of your question period reading you the rules, I'm prepared to do it. Minister of Human Services, you rose on a point of order.

Let me just remind a few of you, some of you who are new to the House, others of you who are old to the House and should know better, that page 502 of *House of Commons Procedure and Practice* says that in question period "a question should not . . . be hypothetical." That's one reminder for you.

A little further on it says on page 504, again with respect to questions, that they should not "concern internal party matters, or party or election expenses."

I could go on with others, but suffice it to say that I really am in a dilemma, hon. members. On the one hand, I am charged with upholding the rules of this House. On the other hand, I like to allow as much freedom of expression and freedom of speech, which people died for, so that you would have it but not so that you would abuse it – not so that you would abuse it – and I've had enough of it, hon. members. You're smart enough to have gotten yourself elected. Stay smart enough to stay elected. Rephrase your question when you've been given a warning by the Speaker, please. Otherwise, I will simply have to take the uncomfortable stance of ruling it out of order. Now, clearly, that admonishment stands.

I'm not up here for my own good sake. I'm up here to protect the integrity of this House. If some of you don't see it that way, I invite you to come and speak with me in my office after.

Hon. member, the final question that you had just asked really, really got to me and to a number of other people. Let's move on.

**Ms Notley:** Mr. Speaker, pursuant to Standing Order 13(2), wherein a member can ask the Speaker to explain a ruling, given that the rules that you quoted refer to election expenses and internal party matters and given that people on this side of the House have been asking about the implication of election revenue on government action and on legislation and legislative policy, could you explain how it is that one thing actually negates what

we would suggest is our legitimate right and obligation on behalf of all Albertans to ask about the other thing, which is our legislation and the impact on government policy?

**The Speaker:** Hon. member, that's fine. That's precisely what I had said earlier. I said that you're welcome to ask questions that hold the government accountable, but you are not welcome to ask anyone in the House to account for party matters or party or political dealings, as I just read aloud. That's why we follow these traditions. Now, if somebody wishes to change them, I'd invite you to come and see me about that, and we can maybe ask House leaders to have a look at it, and you can overturn centuries, perhaps, of tradition. Other than that, no additional clarification ought be needed except as I have referenced for you, and if you like, I can read you some more. In the meantime, let us move on.

**The Speaker:** The hon. Member for Dunvegan-Central Peace-Notley.

**Mr. Goudreau:** Thank you, Mr. Speaker. Hopefully, my questions won't be party oriented and will be directed at the government.

#### **Regional Health Care Centres**

**Mr. Goudreau:** Mr. Speaker, in the past two weeks the Minister of Health announced hospital projects in Medicine Hat, Lethbridge, Grande Prairie, High Prairie, and Edson. Two of these are very critical and important hospitals for my constituents in the northwest part of the province. Each project had its plans changed since originally announced. To the Minister of Health: why do you keep changing the plans for these hospitals?

Mr. Horne: Mr. Speaker, the answer is actually quite simple. We engage in a planning process with the community, with health care workers who support residents in those areas about current and future anticipated needs for those communities. In the case of all the projects that were referred to by the hon. member, we did just that. We spent the better part of a year looking at not only primary health care and continuing care service requirements, but we looked at specialty services like cancer treatment, like the need for CT scanning, and like the need for renal dialysis and incorporated those elements in these plans in order that local residents would no longer have to travel to the larger centres to receive those services.

The Speaker: The hon. member.

**Mr. Goudreau:** Thank you, Mr. Speaker. Again to the Minister of Health: given that these communities have been promised hospitals for years now, why has it taken so long to get them up and running?

**Mr. Horne:** Mr. Speaker, it's true that government has been working with those communities for several years, and I'm very proud to stand here today in the House and say that this government delivered on those promises. Not only did we deliver, as I said earlier, on basic health care services that communities require; we delivered on what I think is a very important demand, and that is the demand of citizens outside the major centres of this province to access specialized services, to access services that support aboriginal health, to access services that support children and stronger communities. All of those things have been incorporated in these new projects.

The Speaker: The hon. member.

**Mr. Goudreau:** Thank you, Mr. Speaker. Now to the Minister of Infrastructure: why have the costs escalated from their original projections, and will the increase in cost affect the government's commitments to balance the budget by 2013-14?

**Mr. Drysdale:** Mr. Speaker, these projects are proof of the government's commitment to have a health care system that fits Albertans now and into the future. We have worked hard to ensure we're getting the full value of taxpayers' dollars while meeting the needs of residents of these communities. After consulting with these communities, the scopes of these projects were expanded. With expansion comes increased costs. This government has found money within its existing budget to fund these expansions, and no new money was required for any of these projects. This is good news for communities all over Alberta.

#### 2:20 Leasehold Compensation in Lower Athabasca Region

**Mr. Hale:** Mr. Speaker, the central planning document known as the lower Athabasca regional plan is further evidence of how out of touch this government has become. The plan will reportedly cancel 19 oil sands leases and bring uncertainty to an already volatile industry. The province is on the hook to compensate these companies, but Albertans have no idea how much they'll have to pay. The Wildrose believes in protecting property rights. To the hon. Minister of Environment and SRD: just how much will Albertans pay for this government's property rights attack?

The Speaker: The hon. minister.

Mrs. McQueen: Thank you, Mr. Speaker. I want to say that this government fully supports property rights in Alberta and has done so through a property rights advocate that is being set up. We have support from many people with regard to the lower Athabasca region, including the Canadian Association of Petroleum Producers, who also have endorsed our plan with regard to moving forward. There may be up to \$30 million with regard to negotiations that may be taking place with the Minister of Energy and with regard to those leaseholders, but I have to say that they have been very supportive of this plan.

**Mr. Hale:** Mr. Speaker, given the government owes potentially millions of dollars in compensation for the extinguishing of oil sands leases, just how will this government decide what is full and fair compensation, and will these oil companies be reimbursed for their costs plus the loss of revenue and a rate of return?

The Speaker: The hon. minister.

Mrs. McQueen: Thank you, Mr. Speaker. As I said in my last comments, the oil companies that may be affected will be approaching the Minister of Energy about that. To date and to the best of my knowledge I don't know that that has happened other than that the industry has said that they also support the development in the oil sands but also what we've done with regard to the lower Athabasca region, making sure we put aside conservation areas, recreation areas, places for the community to grow while extracting resources.

**Mr. Hale:** Mr. Speaker, given that the South Saskatchewan regional plan is next in line and given that the South Saskatchewan contains far less Crown land than the first plan, can this government promise that no private leases or holding of land will be affected by the implementation of the South Saskatchewan regional plan?

The Speaker: The hon. minister.

**Mrs. McQueen:** Thank you, Mr. Speaker. I'm glad to say that on Friday we announced the continuation of input from Albertans with regard to the South Saskatchewan regional plan. What I can promise you is that we will be listening and consulting with Albertans, and from that plan we'll move forward.

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

#### Aids to Daily Living Program

Ms DeLong: Thank you, Mr. Speaker. My question is for the Minister of Health. Minister, the Alberta aids to daily living program assists Albertans with long-term disability and chronic or terminal illness to maintain their independence by providing monetary assistance to buy medical equipment and necessary supplies. Unfortunately, my constituents in Calgary-Bow are now waiting up to eight weeks for assessments by a health care professional, who determines their needs and their eligibility for aids to daily living. Could you please explain what is causing this wait and what is being done to address this issue?

The Speaker: The hon. Minister of Health.

**Mr. Horne:** Thank you very much, Mr. Speaker. The hon member is correct. An increasing number of Albertans rely on the Alberta aids to daily living program to supply them with devices and other services that support them in living independently. In Calgary the norm in the last few years has been a two- to threeweek wait time. We are experiencing higher volume in Calgary. This accounts for the longer wait time. Alberta Health Services is currently looking into a plan to reduce that through increasing resources and reorganizing the delivery system.

The Speaker: The hon. member.

**Ms DeLong:** Thank you, Mr. Speaker. To the same minister: will we, and if so, when will we return to the two-week wait time for assessments in Calgary and, more generally, in Alberta?

**Mr. Horne:** Mr. Speaker, as I said, we're seeing in Calgary and across the province an increase in demand for the services provided by the aids to daily living program. This, of course, is to be expected as our population ages, as we continue to put more resources as a government into supporting people to live independently in the community for as long as possible. As I said, Alberta Health Services is working on the issue. We're hopeful that in the near future we will see wait times for these assessments decrease.

The Speaker: The hon. member.

**Ms DeLong:** Thank you, Mr. Speaker. To the same minister: given the diverse economic makeup of my constituency what can be done to increase access to this kind of program?

Mr. Horne: Mr. Speaker, there are a number of ways that we can increase access to the program. Of course, the most important one is for members of the Assembly and other leaders in the community to make citizens and constituents aware that these services are available. We are looking to the future with the evolution of family care clinics and our continued support for primary care networks, to use these platforms as a vehicle to both provide assessments and to inform people about services that are

available to them. The whole intention, again, is to support our government's agenda of assisting Albertans to age in place.

**The Speaker:** Hon. Member for Grande Prairie-Smoky, I understand that you're not questioning today, so I'll move on to the hon. Member for Calgary-Mountain View.

#### **Health Services Expense Reporting**

**Dr. Swann:** Thanks, Mr. Speaker. Alberta Health Services hired a man, Allaudin Merali, as chief financial officer who, in his former role with the Capital health region, racked up nearly \$350,000 in inappropriate expenses. The board chair recently reversed a decision to expand the audit of former senior executive expenses at Capital health. Instead, the chairman, knowing of a FOIP request by the *Calgary Herald*, pre-empted the release, in the Calgary case, of expenses of three Calgary executives. To the minister: since the minister was employed in the Capital health region during the period in question, how did it happen that Mr. Merali was hired by this government, given his known background?

**Mr. Horne:** Mr. Speaker, first of all, just for the clarification of the hon. member, this government, this minister, and Alberta Health Services comply with the requirements of the Freedom of Information and Protection of Privacy Act, and any suggestion that anything untoward is done to encourage noncompliance with that act is clearly unacceptable and untrue.

**Dr. Swann:** I'll try again, Mr. Speaker. I'll be a little more direct. Did the minister influence in any way the decision to cancel the Capital health region public audit?

Mr. Horne: Absolutely not, Mr. Speaker. In fact, what I did do is that when the expenses in question were made available through the Freedom of Information and Protection of Privacy Act, I instructed the board of Alberta Health Services to undertake an independent audit of those expenses for the purpose of determining whether those expenses were in compliance with the travel and expense policies that existed at the time. That report should be forthcoming in the near future, and I'm sure the hon. member will be interested to see the result.

**Dr. Swann:** Since the minister has decided on areas in health services from hospital food to AMA negotiations, could he tell us what role is left for Alberta Health Services and its board?

**Mr. Horne:** Mr. Speaker, the role and the responsibility of Alberta Health Services with respect to these matters is no less than the responsibility of this government or the parties represented by the members opposite. Our responsibility is not only to comply with the legislation that prevails; it is to encourage and serve as an example to agencies, boards, commissions, and other entities which are required to comply as well.

Mr. Speaker, the Freedom of Information and Protection of Privacy Act has been an excellent vehicle to make this information public. All FOIP requests have been complied with, will continue to be complied with, and this hon. member will have all the information he requires to make what we hope will be a more informed judgment.

# The Speaker: Thank you.

The hon. Member for Edmonton-Calder, followed by the hon. Member for Innisfail-Sylvan Lake.

#### Full-day Kindergarten Programs

**Mr. Eggen:** Thank you, Mr. Speaker. Well, it's another day and another broken promise, it seems. This government promised full-day kindergarten for those families who require it. The teachers are ready. The students are more than ready. When will this Education minister actually keep a promise and make full-day kindergarten available for the next school year?

Mr. J. Johnson: Mr. Speaker, we know that all of our kids deserve the best possible start in life, and we will keep our promises. As I responded to a similar question last week, there is a lot of work being done on the full-day kindergarten file, but there are a lot of things to iron out yet. Those tie to funding with respect to infrastructure. Those tie to funding with respect to the operation side of the business. Some school boards are already offering full-day kindergarten and how that ties. But one of the most important things is how this meshes together with the early childhood strategy, and that's being navigated right now by the Minister of Human Services.

2:30

The Speaker: The hon. member.

**Mr. Eggen:** Well, thank you, Mr. Speaker. Given that right here right now the Edmonton public school board has the space to set up an additional 20 full-time kindergarten classrooms and given that many other school boards are ready to get this done now, what possible excuse could the minister have that would stop full-day kindergarten from happening as soon as possible?

**Mr. J. Johnson:** Mr. Speaker, we're not stopping anything. As a matter of fact, many of the school divisions right now offer full-day kindergarten. What we're trying to do is understand how we can roll this out across the entire province so every parent in the entire province can have this proper choice to the education and the early childhood development of their children. This is going to come as quickly as we can possibly help it along.

**Mr. Eggen:** Mr. Speaker, it's a question of this Legislature funding that full-day kindergarten. Many people are paying for it.

Given that there's irrefutable evidence that full-day kindergarten benefits students' lifelong learning and given that we have one of the largest groups of kindergarten-aged children passing through our school system right now and in the fall, why would this minister delay the most obvious education reform available to him now at the expense of all of those children's education and the expense of our province's future?

Mr. J. Johnson: I think we're paralyzed by agreement here. We absolutely support full-day kindergarten. As I said, it's happening across the province right now. But when we do it and as we roll it out to all Albertans, we want to make sure we get it right. We want to make sure it fits properly with our early childhood development strategy. When the budget discussions come forward in the spring here, I'll be looking forward to that member supporting anything that we want to do on early childhood development and full-day kindergarten.

**The Speaker:** The hon. Member for Innisfail-Sylvan Lake, followed by the hon. Member for Red Deer-North.

#### Infrastructure Capital Planning

**Mrs. Towle:** Thank you, Mr. Speaker. Recently we've seen this government splash across the province reannouncing old promises

with brand new price tags. Although the flashy new cheques and promises of more beds for patients are very welcome news to the Wildrose, we know that this government's record of waste and mismanagement gives us reason to question. Time and time again we have seen new hospitals under this government delayed further and further down the road, attached to ballooning costs. Given that five new hospital projects are close to \$300 million more expensive now than just a few minutes ago, does the Minister of Infrastructure realize that the money wasted on overruns could have built additional beds in other communities that desperately need them?

**Mr. Drysdale:** Mr. Speaker, this government is committed to building infrastructure in Alberta where it's needed to give Albertans the quality of life they deserve. We've consulted with communities, and the Health minister has done a lot of work in consulting with the health care professionals. We're delivering the right projects in the right place. We're taking our time to do it right. It ends up that we've had to increase some of these projects, and with that increase comes increased costs.

Mrs. Towle: To the same minister: given that \$60 million in alleged savings from the Calgary south campus plus \$100 million in alleged savings after the government's betrayal of Fort Macleod still only gets you to about halfway of the \$300 million in total overruns, what else is on the chopping block as a result of this government's mismanagement?

**Mr. Drysdale:** Mr. Speaker, we've allocated funds from different budget lines in our government budget, including a capital transition initiative and the consolidated cash investment trust fund. The members opposite said that they would cut infrastructure spending by 25 per cent, so none of these projects would have happened.

**Mrs. Towle:** Mr. Speaker, given that many seniors, families, and communities across this province are left in the dark as to how they should plan for cancellation, delay, or, if they're really lucky, construction of more long-term care beds, when will this minister table a detailed infrastructure priority list that will give Alberta families a chance to plan for their future?

**Mr. Drysdale:** Mr. Speaker, we are working on that capital plan as we speak. We've been working hard all summer, and I've been consulting with my colleagues from all departments and my colleagues in Treasury Board. We can't release our plan until we make sure we have the financial plans that go along with it. We'll continue to invest in public infrastructure to ensure that Albertans have the quality of life they deserve now and into the future.

**The Speaker:** The hon. Member for Red Deer-North, followed by the hon. Member for Cypress-Medicine Hat.

#### **Special-needs Education Funding**

Mrs. Jablonski: Thank you, Mr. Speaker. To the Minister of Education. I understand that the Ministry of Health in partnership with Alberta Health Services, Human Services, and Education is developing a framework for infant and preschool screening. Areas under consideration include universal newborn hearing, preschool hearing, vision, speech, and developmental screening. Although this is an excellent direction for newborn and preschool screening, many children currently within our educational system are challenged by learning disabilities. These learning disabilities can

adversely affect their literacy and numeracy skills. What exactly is Alberta Education's current policy regarding learning disabilities?

**Mr. J. Johnson:** Mr. Speaker, this government is committed to success for all students regardless of their ability or their disability. To do that, we need to provide a whole raft of individual tools, and that takes money. That's why in the last budget we increased the inclusion funding, the funding for special needs, by about 22 per cent, which is \$68 million, taking that budget to a total of \$375 million. School boards are using that funding to provide a whole raft of services, including speech pathologists, literacy coaches, occupational therapists, psychologists, and other initiatives in the classroom like educational assistants.

The Speaker: The hon. member.

**Mrs. Jablonski:** Thank you. My first supplemental. Since you've partially answered that, I'll move on to my second supplemental, which is really my first supplemental. To the same minister: in particular, what steps are being taken to address the learning impairment known as Irlen syndrome?

Mr. J. Johnson: Mr. Speaker, it's not always clear, when a child is struggling, what might be holding them back. The hon. member mentioned this one particular syndrome. It's important that parents and kids get comprehensive eye exams by qualified professionals should they be experiencing difficulties with reading and writing. In some cases it may be a syndrome like Irlen. I know that in the coming days we're going to have a lot of discussion about Irlen, and we've got a member here who's going to make sure that that is right at the front of our minds, so I commend her for that.

**The Speaker:** Hon. member, did you have another supplemental that might replace the other supplemental that's replacing the first supplemental?

Mrs. Jablonski: No. Thank you, Mr. Speaker.

#### **Disaster Recovery Program for Flood Damage**

Mr. Barnes: Mr. Speaker, many people in my constituency are still recovering from a flash flood of 2010. In Irvine there's a young couple with three small children who've been trying to work through the disaster recovery program to rebuild their home. But rather than providing proper assistance and information to help them rebuild the home they lost, incredibly, government officials are now evicting this young family from their temporary housing unit on October 31. To the Minister of Municipal Affairs: when will this government start communicating with Albertans and provide them with some concrete assistance?

Mr. Griffiths: Mr. Speaker, over the last several years the province of Alberta, through the disaster recovery program, has provided hundreds and hundreds of millions of dollars to help Albertans that have uninsurable losses due to floods. In this particular case there are almost 1,800 people that have been compensated in the system by the provincial government. There are only seven that remain. Two of them, yes, are in government-subsidized housing. They've been provided the funds to redo their houses, but they've still been in government-subsidized housing for two years. We have to be responsible with taxpayers' dollars, and we're making sure that the provisions to fix their house are there and that they have them.

The Speaker: The hon. member.

**Mr. Barnes:** Thank you, Mr. Speaker. Responsible with taxpayers' money. Given that this government may have provided more money to the company contracted to administer this program than actually to individuals who've applied for disaster relief, when will the government show they actually care and complete the assistance from this unforeseeable disaster of two years ago?

**Mr. Griffiths:** Mr. Speaker, I'll say it once again. Over 1,800 people in this single incident have been assisted by the province of Alberta. A couple stand out because they haven't fixed the repairs on their house. They've had two years to do it. But we're still there to assist them and to provide them the funding to fix the homes

The company that the member is referring to: \$20 million to cover hundreds of millions of dollars of assistance to members and to deal with them directly client by client. We got incredible value for the money.

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

**Mr. Barnes:** Thank you, Mr. Speaker. Well, this young family has been unable to make this work for them.

Given that I called the disaster recovery program myself and was told that they would not speak directly with MLAs and given that then I contacted the Minister of Municipal Affairs two weeks ago to resolve this and am still waiting for an answer back, what is the minister going to do to help this young family facing eviction on October 31?

2:40

**Mr. Griffiths:** Mr. Speaker, the government of Alberta, this government, has provided subsidized housing to families for two years and provided them with the resources to fix their homes.

It doesn't matter what department you are in this government: we cannot provide personal information even to an MLA because they don't necessarily represent as legal counsel. They're not entitled to that information. They may be getting the wrong information from the people they claim to be representing. We have suggested every single time that they can call us for assistance if they need it. We're here.

**The Speaker:** The hon. Member for Stony Plain, followed by the hon. Member for Drumheller-Stettler.

# **Obesity Initiative**

**Mr. Lemke:** Thank you, Mr. Speaker. On October 23 the Ontario Medical Association launched their latest campaign to combat obesity. Some of the messaging of this campaign includes calling on the government to tax junk food as well as pop and other high-calorie foods. To the Associate Minister of Wellness: are there any plans to introduce measures like this in Alberta?

The Speaker: The hon. associate minister.

Mr. Rodney: Thank you, Mr. Speaker, and thank you so much to the member for the question. It's a very important topic. I would like to start by assuring the member that we are not considering any similar action here in Alberta at this time. Instead, we're committed to helping Albertans to make healthy choices through education and the promotion of healthy eating habits, increased physical activity, and the maintenance of healthy weights. Through a number of community and business and educational partnerships we are working to make the healthy choice the easy choice right here in Alberta.

**Mr. Lemke:** Again to the Associate Minister of Wellness: if that is the case, then what are we doing to combat this issue of obesity, which has become an epidemic amongst our youth?

Mr. Rodney: I appreciate the hon. member's concern, and I certainly share that concern. We all know that obesity is a very complex problem that requires comprehension throughout various levels of government and private industry, communities, families, schools, and workplaces. That's exactly what we're doing through partnerships. We're involved in many programs that promote healthy eating and active living such as Healthy U, Communities ChooseWell, and our upcoming wellness forum. The Healthy U campaign specifically encourages Albertans to do more to be healthy through healthy eating and active living, both of which can reduce the risk of obesity. Mr. Speaker, I'm very proud to say that we have no less than 30 programs, initiatives, and events that can reach Albertans in a number of areas, all designed to help them make healthier choices in their lives.

**Mr. Lemke:** I was going to ask what programs were being introduced to combat obesity, but unless there are some that he didn't previously mention in the last question – are there any other programs that were not mentioned?

Thank you, Mr. Speaker.

**Mr. Rodney:** Absolutely. Mr. Speaker, we've seen great results from a number of programs in addition to what I just mentioned, including the healthy school community wellness fund. To date – here are some numbers for you – the fund has supported 150 projects involving more than 750 school-community partnerships. We're also beginning to work on the third year of a certain campaign targeting kids six to 12, encouraging them and their families to be active and eat healthy, part of Healthy U.

Our focus in Wellness is about creating healthy habits from the start by helping Albertans to eat in a little bit more of a healthy way and to be active in terms of their living. It's going to be second nature. We just want to give the kids the tools they'll need for the rest of their lives.

Thank you, Mr. Speaker.

**The Speaker:** Hon. members, before we go to Introduction of Guests, which I'll do 30 seconds after this request, I want to ask if we can revert briefly to Introduction of Guests. Agreed? Thank you very much.

[Unanimous consent granted]

# **Introduction of Guests**

(continued)

**The Speaker:** The hon. Member for Edmonton-Mill Woods, followed by the hon. Member for Calgary-Hawkwood.

**Mr. Quadri:** Thank you, Mr. Speaker. I don't know if they're still here or gone, but there was a school here from Edmonton-Mill Woods. The Weinlos elementary school was here today to learn about democracy and events in this building and to see how this Alberta government works. If they are here, I would ask them to please rise and receive our traditional warm welcome.

**The Speaker:** Thank you, hon. member. They may have departed already.

The Member for Calgary-Hawkwood.

Mr. Luan: Thank you, Mr. Speaker. I'm honoured to rise to introduce to you and through you to the hon. members of this

Assembly two special guests from Calgary. I saw them earlier during question period. I'm not sure they're still here, but for the record I want to extend a warm welcome to them. The two special guests are Mr. Joe Ceci, former city of Calgary alderman, manager of government relations for Momentum, and co-ordinator of Action To End Poverty in Alberta. The other is Ms Linda McFarlane, who is a member of Action To End Poverty in Alberta. Both of them have done huge work in their community, working with different orders of government and community agencies, trying to create conditions that will help the most vulnerable Albertans become constructive and contributing members of society. It's interesting to note that with their poverty reduction work they are trying to create conditions so that people who rely on government services can become taxpayers contributing to society, thereby saving us in the long run. For that, I think Albertans appreciate their work, and I trust that this House will do the same. For the record I'd like to ask our colleagues of this House to extend our traditional warm welcome for the work they've done.

#### Members' Statements

**The Speaker:** Hon. members, in 30 seconds I will call on the first member's statement, from Lethbridge-East.

**Mr. Hancock:** Mr. Speaker, just prior to starting on that and looking at the clock, it's obvious that we're going to run out of time. I would ask the unanimous consent of the House to extend past 3 o'clock in order to allow Members' Statements and the rest of Routine.

**The Speaker:** The hon. Government House Leader has asked for unanimous consent, should it be necessary, to extend the Routine beyond the hour of 3 o'clock. If anyone objects to that, please say so now.

[Unanimous consent granted]

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

#### University of Lethbridge Research Award

**Ms Pastoor:** Thank you, Mr. Speaker. It is my pleasure to rise today on behalf of myself and my colleague the MLA for Lethbridge-West and share with this Assembly a tremendous accomplishment made by one of Alberta's comprehensive academic and research universities. Last week the University of Lethbridge was named by Research Infosource as Canada's research university of the year in the undergraduate category. [some applause] Thank you, and yes, we are proud.

The U of L increased its research income by an astounding 38.7 per cent over the past year and, combined with other indicators such as research intensity, publication intensity, and publication impact, moved from ninth to first place in the 22-member undergraduate classification.

One of the main beneficiaries of strong research programs at the U of L is the students. Those attending the U of L are not so much learning from a textbook as being taught by those who wrote the textbook. Further, students are exposed to research opportunities throughout their entire postsecondary experience.

Often we think about how research dollars benefit the current research programs at Alberta's universities. The example at the U of L demonstrates how research activity is key in developing a highly trained and highly skilled workforce in Alberta. When paired with the U of L's excellence in teaching, the university is

helping to create the foundation for a knowledge economy in Alberta. They are training the next generation of researchers and innovators

Mr. Speaker, this accomplishment is emblematic of the strength of Alberta's postsecondary sector. The investment this government has made in infrastructure, research, and programs will position our institutions to continue to achieve these types of successes for our future.

Thank you.

**The Speaker:** The hon. Member for Rimbey-Rocky Mountain House-Sundre.

#### **AEUB Public Hearing Security Measures**

**Mr.** Anglin: Thank you, Mr. Speaker. I'm holding in my hand red shoelaces in recognition of the Rimbey chapter of the Central Alberta MS Society and the efforts they make in raising awareness to find a cure.

Last week an hon. member from the government party asked me to produce proof of what has been referred to as government spying on law-abiding citizens. Today I will table 24 pages extracted from various documents as proof of that illegal spying. The documents I'm submitting today reveal a number of inconsistencies with regard to the government's, the board's, and AltaLink's actions when the issue of spying was first discovered. A series of misstatements were made, outright falsehoods were made, and the evidence of the cover-up rapidly appeared. The board was forced to admit it hired four private investigators. AltaLink denied under oath knowledge of the private investigators.

2:50

The Minister of Justice wrote me to claim that Justice Perras' investigation found no wrongdoing. Ironically, the hon. Justice Perras did not investigate the spying. Justice Perras wrote in his findings: "The allegations of spying and listening to solicitor-client conversations are troubling and problematic and if established are serious matters. This examination is not broad enough nor does it have the time to delve into the allegations."

What should concern the citizens of Alberta the most is the evidence involving the office of the Premier. Two days after the EUB hired private investigators for covert intelligence gathering, there was an executive communication log from the Deputy Minister of Energy's office, approved by the Premier's office, and the subject of the communication was me.

I have more documents available, and I'll be happy to submit them when this government authorizes a full, independent judicial inquiry into the government's issues dealing with spying on citizens.

**The Speaker:** The hon. Member for Calgary-South East.

#### My Child's Learning Internet Portal

Mr. Fraser: Thank you, Mr. Speaker. It's with great pleasure that I rise today to talk about My Child's Learning, a new online resource for parents which is the first of its kind not only in Alberta but in Canada. My Child's Learning gives parents access to detailed information about what their children are learning in each grade and what resources are available to help their kids be successful. Designed with the input of parents and parent groups across the province, this resource offers easy-to-understand overviews of every subject at every grade level. It can also be accessed via mobile devices.

Mr. Speaker, we know that not all parents are looking for the same information. Some prefer a short summary of their child's grade while others would like more in-depth information. My Child's Learning is designed to offer both options. Parents can also create an individualized learning profile of their children's education.

My Child's Learning also contains information on their education programs, including separate schools and French immersion programming, so parents have the information they need to make informed choices about what is best for their child.

We know parents play a key role in shaping the way their children view learning. They understand more than anyone else how their children learn and process information. When parents are better informed, they are better equipped to help their children achieve success

I encourage all parents to visit the My Child's Learning website at www.mychildslearning.alberta.ca, and in French – bear with me – www.apprentissagedemonenfant.alberta.ca.

Thank you.

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

# Registered Apprenticeship Program

**Mr. Luan:** Thank you, Mr. Speaker. It's truly a pleasure to rise again today to speak to you about youth employment and the work experience opportunities in Alberta. Alberta's students are some of the best educated in the world. Are you all agreed? [some applause] They have proven year after year that they are focused, dedicated, and eager to face new challenges and excel academically. But that is not the only way young Albertans are preparing for the workplace. Real work experience is invaluable to those students. It helps them to further develop the skills needed to be successful in Alberta's workplace upon graduation.

One of the programs that has been helping young Albertans gain valuable work experience for a number of years is the registered apprenticeship program, also known as the RAP program. The RAP program is a unique opportunity for students to explore a trade and begin postsecondary apprenticeship training all while completing their high school diploma. This program has helped a number of young Albertans realize their potential as skilled trades workers. It is a program that this government and every Albertan can be very proud of. It is certainly the case for Calgary-Hawkwood, the great constituency that I have the honour to represent.

After graduating from high school and the RAP program, many of the skilled trades workers help to sustain and advance our provincial economy by working in various industries. Through constant advancement and improvement in programs like RAP, Alberta will continue to train and employ some of the best skilled workers in the world.

Mr. Speaker, I believe it is crucial that we maintain and develop more programs like this in order to promote employment mentorship opportunities throughout Alberta. In doing so, our province will maintain its standard of excellence in career training and employment.

Thank you

The Speaker: Thank you.

The hon. Member for Lesser Slave Lake.

# Slave Lake Native Friendship Centre 40th Anniversary

Ms Calahasen: Thank you, Mr. Speaker. Last week I had the pleasure of introducing elders who represented the Slave Lake

Native Friendship Centre. That was very important because this centre depends on strong community support but, more importantly, the strong support of these and past elders. Thanks to that support, I joined the board of directors and many supporters in helping celebrate the Slave Lake Native Friendship Centre's 40th anniversary on October 27, 2012.

Mr. Speaker, the way they do it is because they have a statement, and that statement says that it "envisions a community that respects and accepts all people while promoting the enhancement of the quality of life... through culturally based programs and services guided by the wisdom of our Elders." How can they go wrong? Not.

Friendship centres mean a lot to me personally. While attending university many years ago, not understanding the ways of the world and feeling lonely, the Edmonton Native Friendship Centre became my refuge. That friendship centre was probably the best thing that happened to me because today you would not see the suave, good-looking young lady standing before you if it were not for that.

To all friendship centres: thank you. To the Slave Lake Native Friendship Centre: you've done well, and congratulations on 40 years of service to the people who need it in that area.

Thank you.

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

#### **Labour Protection for Paid Farm Workers**

**Dr. Swann:** Thanks, Mr. Speaker. Over the summer there was discomfort across the agricultural sector over the possibility of a boycott of Alberta potatoes. Surprisingly enough, the potato growers and commercial agriculture, including beef, are still coming to terms with the reality that in 2012 paid farm workers, including children under age 14, are still not protected by law or under occupational health and safety and are injured and killed as a result.

The Alberta government continues to hide behind concerns about family farms and deny their responsibility to regulate child labour standards in industrial operations as well as through occupational health and safety standards, the labour code, and the WCB. Government is doing a great disservice to the agricultural industry and opening the industry to boycotts from the likes of Pepsi, Frito-Lay, McDonald's, and Yum! foods, who have strong ethical positions on child labour and human rights in agriculture. In addition, commercial operations could be liable to Criminal Code sanctions.

The almost blanket exclusion of agriculture from regulation has a pervasive effect and creates a Wild West attitude in the agricultural community. This is increasingly visible within and outside of Alberta in relation to unregulated agricultural work sites. Were these hands-off attitudes and practices a factor in the Brooks XL Foods fiasco and the public harm that resulted? Some believe it was.

Most government members do not realize also that the financial costs of thousands of injuries and deaths annually are being offloaded from WCB, from the industry to our health care system and to Alberta taxpayers to the tune of millions of dollars annually. The Farm Safety Advisory Council report does not address legislation for farm workers.

Madam Premier, you promised to legislate protection for paid farm workers in occupational health and safety, the Workers' Compensation Board, and child labour standards. After a decade of waiting, Alberta farm workers are simply asking: when?

Thank you, Mr. Speaker.

The Speaker: Thank you, hon. member.

#### **Tabling Returns and Reports**

**The Speaker:** The hon. Member for Rimbey-Rocky Mountain House-Sundre.

**Mr. Anglin:** Rimbey-Rocky Mountain House-Sundre, the gateway to God's world out there. You'd better believe it. Welcome. Come on out.

Mr. Speaker, I have the requisite documents for submission. Just as an addendum, this is serious business. Members have talked about respecting the rights of citizens and landowners. Words are easy; actions are what people judge this government on. This evidence is serious business about improper actions.

Thank you.

**The Speaker:** The Minister of Health.

Mr. Horne: Thank you very much, Mr. Speaker. I'm pleased to table the requisite number of copies of the 2011-2012 Alberta Health Services annual report. Alberta Health Services is comprised of many skilled and dedicated health professionals, support staff, volunteers, and physicians, who are steadfast in their duty to promote wellness and provide health care every day to Albertans as well as to many residents of Saskatchewan, southeastern British Columbia, and the Northwest Territories. This report illustrates their dedication to fulfill the Alberta government's commitment to health for all.

3:00

**Mr. Anderson:** Mr. Speaker, I have several tablings today after a long summer of talking with constituents. I'll just table a few of them today and maybe do the rest tomorrow.

The first is from Christina Carr, who has written the government with regard to IVF treatments. She feels very strongly that IVF treatments should be covered by Alberta health insurance. She feels that being able to have a child should be something that every woman has an opportunity to do. She wrote a very touching letter about it and about some of those issues and also noted that several other health systems across the country do cover it; for example, Quebec. It would be nice to keep some of those equalization dollars here to spend on programs just like that, wouldn't it, Mr. Speaker? That's the first tabling.

The second tabling I have is a very interesting tabling from a Mr. Scott. Mr. Scott has some great ideas on how to improve safety on our roads through different, I would say, very cost-effective ideas using culverts, road crowns, and other ideas that he's had. It's a very lengthy letter, but I would certainly ask the ministers of Infrastructure and Transportation to take a look at it if possible. That's the second tabling. Maybe I'll do one more; I'll do the rest tomorrow.

Ms Deanna Bruvold is a constituent of mine. I've had many conversations with her. I've asked her to actually put together a letter regarding her experience on getting a drug covered. She's on right now an alternative to the prescription drug that is covered by her Alberta Blue Cross insurance. She's finding that if she goes to the one that's covered by Alberta Blue Cross insurance, it's causing a major allergic reaction, very severe, but she has to use it in order for Blue Cross coverage to cover it. Blue Cross is saying that she has to go back to the one she's allergic to instead of using this alternative one. It's a very weird situation there, a very compromising situation. I hope the Health minister will take the time to look at this letter and see if there's anything that he can do to help this woman, this Albertan.

I'll save my other remaining ones for tomorrow, Mr. Speaker. Thank you.

**The Speaker:** The hon. Member for Lacombe-Ponoka.

**Mr. Fox:** Thank you, Mr. Speaker. I have here the required copies of a letter that I read on October 24 and that I would like to table today. It's a letter that I read from a kindergarten teacher in my constituency on her experiences in the classroom.

Thank you.

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

Mr. Hehr: Well, thank you, Mr. Speaker. This is a tabling – and I have the requisite copies here – by the Foundation for Democratic Advancement. It's regarding an electoral finance audit of Canada's 10 provinces. It's a very interesting report. It goes through an analysis of openness and transparency as well as limits placed in other jurisdictions on various amounts and donations. One of their findings – and I think it's particularly evident that we need to work on this from this report – is that Alberta's electoral finance laws are systematically corrupt by favouring minority and special interests over the interests of the people. I hope people in this Legislature take a sec to look at this report.

Thank you.

**The Speaker:** Are there others? I have two tablings in that case.

First, I would like to table a copy of a letter that I wrote to the president of the Alberta press gallery on October 25 which addresses dress codes and other protocols for media personnel who are attending Alberta legislative committee meetings in the committee rooms at the Leg. Annex. That's effective October 25, 2012

My second tabling also relates to dress codes, other protocols, and general decorum. That applies to caucus support staff and others who may be attending committee meetings in the Legislature Annex. That one is titled Staff Protocols, and it is in effect immediately.

Both of these updated protocols, hon. members, were discussed at some length, I should say, and agreed to by the Members' Services Committee. However, I need to bring it to your attention immediately because there is, I think, a committee meeting tonight, there's certainly one tomorrow and, I believe, the day after and so on, and this would apply immediately. Please ensure that all of your staff are made aware of these two protocols.

On that note, I wonder if we could have unanimous consent to revert to a congratulatory note. The Associate Minister of International and Intergovernmental Relations, who came into this world not long ago, just a few years ago, is celebrating a birthday. That is the note I got. Happy Birthday.

Thank you, hon. members.

# Statement by the Speaker

# Clerk of the Legislative Assembly of Alberta 25th Anniversary

**The Speaker:** Hon. members, just before we go to the points of order, I want to take a brief moment to indicate to all of you that on August 1, 2012, Dr. David McNeil celebrated officially his 25th year as Clerk of our Legislative Assembly of Alberta. Now, since the first sitting of this House in 1906 there have only been six Clerks. Dr. McNeil is the second-longest serving Clerk in our history. Only Clerk Robert Albert Andison has served longer, from April of 1923 to May of 1955. David McNeil has served

with four Speakers now: Dr. Carter, Mr. Schumacher, Mr. Kowalski, and myself.

For those among us who are lingo buffs, the word "clerk" actually derives from the Latin word "clericus," meaning a learned man. This certainly applies to Dr. McNeil, who actually began his postsecondary studies with a bachelor of science in chemical engineering, followed by a master's and a PhD in management science.

Some of you are probably wondering: what's the connection to his current job? Let me cite this for you quickly. In the spring of 2011 Dr. McNeil was profiled in the *U of A Engineer* alumni magazine and was quoted as saying, "Part of being an engineer is being a problem solver. There's always a problem here [in the Assembly] to be solved." His scientific background has trained him to be thoughtful, analytical, nonpartisan, and objective in all situations. He's also one of the most respected voices in the entire parliamentary circle of friends that we have across the country and internationally since he is one of the longest serving of all current Clerks in Canada.

In addition to his procedural role, David has fulfilled a significant administrative role. He has led our Legislative Assembly through many transitions over the years. To give you an idea of the span of progress that has been made during his service, in 1987 there was but one computer in the Legislative Assembly Office of our province. Today we have dozens if not hundreds spread throughout. In fact, we also have migrated more actively into social media in our committee meetings and elsewhere.

In conclusion, Dr. McNeil, I know that I paid a brief tribute to you last week, but today I will ask all members to join me in congratulating you on reaching this tremendous milestone. On that note, I would ask the page to please deliver it here, and I will deliver it to you, Dr. McNeil, if you'll come forward. On behalf of all members of the Assembly, current and former, please receive this very special 25th anniversary commemorative Legislature pin. [Standing ovation]

Hon. members, we'll deal with a few points of order now. Let me begin with the hon. Member for Airdrie on the first point of order.

# Point of Order Factual Accuracy

**Mr. Anderson:** Mr. Speaker, there were actually two, but I'll only need to do one because the other one was a point of clarification, which you dealt with with the Member for Edmonton-Strathcona.

I'm referring to Standing Order 23(h), (i), and (j). I think we can keep this short as long as we can keep the rhetoric down here. This is a point to make sure that this House is very clear. The member opposite – I believe it was the President of Treasury Board – specifically named two instances, in 2004 and 2007, regarding some party donations. My understanding is that that was the Alberta Alliance Party. The Wildrose Party of Alberta was not formed until 2008 under, obviously, a completely different leader and with completely different policies, board, and in fact it is a completely legal entity. What he said about our party regarding 2007 and 2004 is factually inaccurate, and I'd ask him to withdraw those comments on that basis.

Thank you.

The Speaker: The hon. President of Treasury Board.

**Mr. Horner:** Well, thank you, Mr. Speaker. I'm not sure that I actually attributed it to a party. You know, the wolf in sheep's

clothing, so to speak: they changed the outside; they can't change the inside

Mr. Speaker, I did mention that in one campaign, the 2004 election campaign, one individual did bankroll nearly 75 per cent of that party's contributions, and I assume it was the Alberta Alliance, which then became the Wildrose, with many of the same members. In 2007 by-elections that same individual bankrolled 99.7 per cent of that party's contributions. Again, those individuals then became the Wildrose Party. In the 2008 election campaign, which the hon. member does refer to, that that was the Wildrose Party of Alberta, that same individual bankrolled nearly a quarter of that party's contributions.

Again, you know, it's absolutely clear that the party saw nothing wrong with that and is merely playing politics with it now, Mr. Speaker.

**The Speaker:** Hon. members, we're going to stop there. As we know, we often receive clarifications, and as all members here would know, *Beauchesne*'s 494 does have a nice citation in it that says that frequently we're asked to accept two different versions of the same account. I think the hon. Member for Airdrie has clarified his point very well, and I think the hon. President of Treasury Board has given an eloquent address from his point of view

The other thing I'll just caution you on is that when you raise points of order, please remember to do them briefly, like was just done. It was well done on both sides. We need to remember that it is not an opportunity during a point of order to extend or continue debate, and you can find more on that at page 634 of *House of Commons Procedure and Practice*.

Hon. Government House Leader, another point of order?

# Point of Order Parliamentary Language

**Mr. Hancock:** Thank you, Mr. Speaker. I trust you weren't addressing those last just specifically to me in terms of the length of points of order.

I do rise under Standing Order 23(j) and (l), (j) being "uses abusive or insulting language of a nature likely to create disorder" and (l) being "introduces any matter in debate that offends the practices and precedents of the Assembly," and under *Beauchesne's* 492, when the hon. Member for Lac La Biche-St. Paul-Two Hills in his question referred to two areas that I think offended the practices of the House.

The first was in asking whether the government would repay a contribution, and he specifically referred to government, flying in the face of all the admonitions that you provided with respect to not confusing party business with government business. There was a direct linkage there, which, I think, I would go so far as to say was intentional because the scope of questions from the other side today and other days has been to try and connect the process of the political process that we have with government policy. They have been unable to do so even though they continue to do so.

The other offensive piece to the question was in using the language "corruption." There is a process. If someone has an allegation that someone has broken the law, there are two appropriate ways to go with respect to election finances and disclosures. One, the most appropriate, if there's a concern being raised, is to ask the Chief Electoral Officer to investigate. I presume that the hon. members opposite have done that with respect to this particular allegation that they're making. But it's quite inappropriate to find guilt in their questions and lead the public to believe that there has been a finding of wrongdoing.

The act is very clear. One cannot make a donation greater than \$30,000 to a political party during a campaign period. So they're taking great licence by linking all of those contributions together, linking that in and talking about corruption and essentially finding someone who is not in this House guilty of an offence without the opportunity to appear here, which is another section of the rules, to defend themselves.

There is an appropriate process – and I would encourage the hon. members opposite to use that appropriate process – to formally request the Chief Electoral Officer to investigate and to report. The other way they could go, if there's a violation of the law, is to ask the police to investigate a violation of the law. But it's entirely inappropriate to come to the floor of the House and use the immunities that are provided by the House to make allegations of wrongdoing and corruption, which is a very, very strong word, against somebody who is outside the House or, in fact, against a government.

"Corruption" is a very ugly word, and it doesn't look good on you, sir.

**Mr. Anderson:** Mr. Speaker, in response to that I would note that, first of all, the question the government member is referring to was: given that 30 per cent of the campaign funds came from one source via a \$430,000 donation, will the Justice minister commit to amending the law, or will it just allow another massive PC loophole?

Mr. Hancock: He asked the government to repay.

Mr. Anderson: He never asked that question.

**The Speaker:** Through the chair, please.

**Mr. Anderson:** It might have been prior, but it wasn't him. Anyway, my point is that he didn't ask the government to repay that.

This goes back to what the Member for Edmonton-Strathcona said earlier, and I think you did clarify it. We've been trying, and we will now endeavour to try harder given your comments today, Mr. Speaker, to make sure that we refer to public policy when we're in question period, refer to changes in the legislation that we would like to see. We will double our efforts to make it very clear. Now, of course, we do need to put context in that, or the question is useless. You have to contextualize the question and explain what practice we're wanting to stop and what example of a practice we're wanting to stop in government legislation and government policy. So we will endeavour and double-endeavour, as you've asked, to do that in our future questions.

With regard to the word "corruption," we all agree that the government itself should not be called, you know, "this corrupt government" or that "this individual," in this case Mr. Katz, "is corrupt." That's not what this member said. That's not what any question that I've heard in here said. What we are worried about over on this side of the House and what I think Albertans are worried about in general is the general culture of corruption within government, the general culture of entitlement within government. That's not saying that the government and the members themselves are corrupt. It's saying that when you have a process that allows one individual to allegedly pay \$430,000 to the governing political party, when you allow that to happen, Mr. Speaker, if the law allows that, then that necessarily opens itself up to a culture of potential corruption. We're worried about that, and I think that the government should be worried about that, too.

So when we're asking questions about changing the law to take care of that culture of corruption, to close those loopholes so that corruption or even the appearance of corruption can be laid to rest, where it should be, I think that's a very legitimate line of questioning in this Assembly, and I think that as long as we follow your rules, Mr. Speaker, and keep it to government policy and keep it to government legislation, there's no point of order here. This was a reasonable question.

The Speaker: Hon. members, you can see why over the decades if not centuries of our fine system of democracy people have created rules, they've created regulations, they've created guidelines, and why it's so important for them to be followed and why I have a passion for this. What we're talking about here is exactly the subject of my admonishment earlier in the day. We're talking again about an issue that has to do with political parties and their contributions. So let me just remind you of a couple of things very briefly.

#### 3:20

Number one, in *House of Commons Procedure and Practice* on page 502, should you happen to have a copy handy, in the middle of the page it says:

In summary, when recognized in Question Period, a Member should  $\ldots$ 

 ask a question that is within the administrative responsibility of the government or of the individual Minister addressed.

Furthermore, a question should not . . .

· be hypothetical.

Then, I turn the page over to 504 and still continuing with "Furthermore, a question should not," the third bullet on page 504 says:

concern internal party matters, or party or election expenses.

Hon. members, I've been around this game a long time, and most of you in this Chamber have as well. We know what that means. We also have seen what it means when we break away from those rules and take additional liberties. Now, I was very, very lenient in many ways last week, but you can see what happens when we allow the kind of leniency that really does actually break not only the spirit of the law but also the content and the intent of that law. So let's be doubly careful. There isn't a person here who can't phrase or rephrase a question that does not stick within the rules. You can all do it. I know you can. You've asked some wonderful questions, most of you have, so far, and there'll be more to come.

My final point is just to rephrase again, without taking more time out of question period, but I will take it now. In *Beauchesne's Parliamentary Rules & Forms* 408 – and recognizing that this something that I haven't had a chance to comment on, let me comment on it now – it says:

In 1964, the Special Committee on Procedure recommended the following guidelines,

and this is with respect to oral questions,

which were subsequently provisionally concurred in by the House, to be used by Members in asking oral questions.

(1) Such questions should . . .

(b) not inquire whether statements made in a newspaper are correct.

Please remember that one.

Furthermore, 409 in *Beauchesne's* would tell you that with respect to guides for question period:

(3) The question ought to seek information and, therefore, cannot be based upon a hypothesis, cannot seek an opinion, either legal or otherwise, and must not suggest its own answer,

and it goes on.

Finally, 410 in Beauchesne's says:

(5) The primary purpose of the Question Period is the seeking of information and calling the Government to account

And I know that that's what's intended, but, again, on page 122 it says:

#### (12) Questions should not be hypothetical.

So be careful when phrasing your questions, and please do as good a job as you can to hold each other to account. I have no problem with that at all. But let's do it within the provisions of the book

I received 22 notes – 22 notes – and it was a record on these matters. The point of it is that it takes up my time, it takes up your time, and all I'm here to do is to enforce the rules, which you subscribed to when you took the pledge.

Now, I'm not here to try and overdeliver or overemphasize that message, but you must know that I feel passionately about following the rules in this House. I will do everything I can to live up to that, and I ask you to please join me and do the same.

As such, the clarification has been made, there's no point of order, and we're going to proceed.

# Orders of the Day

# Public Bills and Orders Other than Government Bills and Orders Second Reading

# Bill 201 Scrap Metal Dealers and Recyclers Identification Act

**The Speaker:** The hon. Member for Strathcona-Sherwood Park.

**Mr. Quest:** Thank you, Mr. Speaker. I'm pleased this afternoon to move second reading of Bill 201, the Scrap Metal Dealers and Recyclers Identification Act.

This bill addresses a serious problem and has ramifications for all Albertans, Mr. Speaker. That problem is the theft of scrap metal. Both individuals and businesses in urban and rural regions are impacted by the theft of scrap metal, and these individuals and businesses are then stuck with the bill.

Mr. Speaker, Bill 201 isn't just about mitigating the cost of scrap metal theft to law-abiding citizens, businessmen and women. It's also about safety and potentially hazardous conditions created when metal is taken from places and from equipment. When this metal goes missing, everything from power outages to injuries or even death can result. I can cite a case from 2010, when a man was killed in the process of stealing scrap metal from active electrical wire. I can cite instances where manhole covers were stolen, in turn compromising the safety of vehicles and pedestrians on those streets, such as in March or April of this year, when cities all over Ontario reported dozens of missing manhole covers. We could also talk about the loss of metal on construction sites and how such instances often seriously delay work or create costs that far outweigh the value of the metal itself.

# [The Deputy Speaker in the chair]

The Edmonton Police Service in 2011 reported more than \$1 million of thefts and \$100,000 of associated damages from stolen copper wire alone. The Calgary Police Service reports comparable numbers for their jurisdiction. Earlier this month 90 kilograms of copper wire and 200 metres of stripped telecommunications were stolen from a Telus site northeast of Calgary. As a matter of fact, Telus alone has reported 74 copper theft cases in Alberta this year

alone. Two months ago the RCMP recovered \$500,000 worth of copper wire just east of Edmonton. In June, Mr. Speaker, a piece of copper cable was stolen from a radio tower in Strathcona county, my own constituency. It was part of the lightning grounding system of the tower. The piece of cable that was stolen was worth \$30. The damage to the tower, which was actually struck by lightning, was over \$25,000.

Clearly, scrap metal matters, and clearly things aren't slowing down. Consultations, research, and thorough analysis all indicate that the provisions and measures outlined in Bill 201 will help stem the tide of scrap metal theft in our province. As it stands today, thieves can take stolen material to a scrap metal dealer or other recycling-related business and sell it, usually for cash, no questions asked. Mr. Speaker, the objective of this bill is to make it harder for scrap metal thieves to operate in Alberta. Questions will be asked and answers will be recorded so that police have a paper trail when they need it. Regulating the scrap metal industry by giving police this paper trail would greatly diminish the ability of criminals to profit from scrap metal theft here in Alberta.

If the Scrap Metal Dealers and Recyclers Identification Act is brought into force, all scrap metal dealers will be required to request proof of identification from each seller, record specific information about each transaction as determined by regulation, make that information available to law enforcement officers upon request, and report suspicious transactions such as purchases above a certain weight or with certain identifying features.

Mr. Speaker, some have argued that municipalities should regulate the scrap metal industry, not the province, but only provincial legislation can minimize discrepancies between differing municipal standards, a necessary outcome according to Alberta Association of Chiefs of Police. This is because municipal bylaws lead to jurisdictional shopping. That is, thieves will travel to alternative locations to sell their ill-gotten gains until there is a uniform standard. Province-wide legislation and regulation would prevent this.

Bill 201, the Scrap Metal Dealers and Recyclers Identification Act, would also protect scrap metal dealers from legal action when information is disclosed in order to comply with the purposes of the act, a protection that municipal bylaws do not ensure.

Again, with scrap metal dealers and recyclers in mind, Bill 201 stays away from in-depth daily electronic reporting. That type of regulation is too onerous for business owners and operators and isn't consistent with the spirit of this proposed legislation. Our intent certainly isn't to displace a burdensome process from law enforcement officers onto business owners. That's not what Albertans are about, and that's not what this bill prescribes. The requirements for scrap metal dealers and purchasers under the bill are not onerous. In fact, most large and medium-sized scrap metal dealers would continue on. It would be business as usual.

This legislation doesn't target law-abiding scrap metal dealers. It cracks down on less-than-reputable scrap metal businesses that cater to scrap metal thieves. Penalties stipulated in this legislation involve serious fines when proper records are not kept. Individuals could also face jail time. It considers the obstruction of an investigation for the purposes of this bill an offence, and it prevents businesses from popping up and operating for a short time before they're shut down due to a fine or a criminal investigation.

#### 3:30

These measures were developed in consultation with a variety of stakeholders, and because of that, I believe this bill has enormous potential to equip law enforcement officers to both investigate crimes and minimize the potential profit for both

sellers and dealers who operate on the wrong side of the law. I'd like my colleagues to note this bill has the support of the Alberta Association of Chiefs of Police, which passed a resolution in support of this bill. As well, the RCMP have indicated their support. The Calgary Police Commission is certainly in support of this legislation as Calgary actually has their own bylaw in place, and the Edmonton Police Commission has called for regulation of photo identification by scrap metal dealers also.

To me this call from the Edmonton Police Commission is an endorsement for the principles that inspire this bill. Theft can only be profitable if there's a market for stolen goods. This bill reduces that market by requiring scrap metal dealers and recyclers to leave a paper trail for law enforcement authorities. Right now, Mr. Speaker, the regulation of scrap metal trade in Alberta is left up to the municipalities, and it has led to a patchwork of requirements that merely relocates the selling of stolen goods to communities with lax or no regulations. We need a province-wide standard to help crack down on this problem. I would propose this province-wide standard would start with Bill 201. I urge all hon. members to follow this debate this afternoon and consider supporting this bill.

Thank you, Mr. Speaker.

**The Deputy Speaker:** I will recognize the Member for Lacombe-Ponoka and then the Member for Edmonton-Centre.

**Mr. Fox:** Thank you, Mr. Speaker. I think the Scrap Metal Dealers and Recyclers Identification Act is a timely piece of legislation as theft of these materials is becoming an increasing problem for Alberta industries. The intent of this bill will bring more accountability to the scrap metal industry. By recording the personal identification information of the seller of scrap metal, we should see diminishing returns for the criminals.

I know there is support from the scrap metal dealers themselves on this, Mr. Speaker. All too often they are the greatest victims of theft. With massive yards, often dozens of acres, they are prime targets for thieves. They face heavy costs for security and insurance. This impacts the bottom line for them and then, because of the price, also for their consumers.

This bill seems to be targeted at a few bad apples. I've spoken to the scrap metal dealers and recyclers, and the reputable businesses are already taking down the information related to the seller and the history of the materials. This is good, common practice that will now have the force of law.

As tough as I am on crime and supportive of this law, I do have my concerns. I have heard from those in the industry that they hope the paperwork does not become burdensome, that it does not get in the way of them doing their job. This is a complaint I hear from many people in many industries. Our police officers and our health care professionals among others find themselves away from the front lines, tied down because of paperwork and bureaucracy. I hope we don't find the same situation in the scrap metal industry because of this bill becoming law.

I'm also concerned with how much of this law is left to the regulations after the bill has passed. In section 3 I read, "Information respecting the transaction prescribed by the regulations." I know it is standard to leave much of these details to regulation once a bill is passed, but again I'm concerned about onerous paperwork bogging down hard-working Albertans. I hate to see the majority suffer because of the actions of a few bad apples.

I support the intent of this bill, Mr. Speaker. We should do everything we reasonably can to crack down on fraud and theft. I look forward to debating this bill in committee to make sure it's the best fit for all Albertans.

Thank you, Mr. Speaker.

The Deputy Speaker: Thank you, hon. member.

I recognize the hon. Member for Edmonton-Centre.

**Ms Blakeman:** Thanks very much, Mr. Speaker. The sponsor of this bill and I have gone a couple of rounds already on this one, mostly through the media over the summer. I do thank him for his diligence and for his recognition of a problem and an attempt to do something with it. The problem is that it's not the right thing to do, and there are a couple of reasons why that is the case.

For starters this bill does absolutely nothing to stop people from stealing copper or any other prohibited scrap metal. Nothing. Nothing. What this does is take down everybody's personal information in the hopes that they might be able to have a paper trail good enough to be able to catch somebody who might have stolen something. In the meantime we have subjected every single Albertan who has walked through the door and done any kind of an exchange on scrap metal — we've taken their personal information. Now, is that problem? Well, yes, it is a problem.

I'm just going to give you a couple of examples where personal information has been collected by a government or a police force for one purpose, and it gets used for another purpose. It's just too great a temptation, it seems, particularly for police forces but also other individuals, even – let's face it – candidates for election. Boy, once they see all those lists and names, they just think, "Wow, we could market to them," or "We could use this to catch other things," or whatever their little minds can come up with.

Here are a couple of examples, very recent, where information collected using surveillance or a direct request for information was turned around on law-abiding citizens. In Brussels they have decided to fine people who are cursing in public. How are they going to find these cursing people? Ah. They're going to use the closed-circuit television. Okay. Was that closed-circuit television put in place to catch people who say "shucks" or "darn" or "heck" in public? No. They were supposedly put in place to catch terrible murderers and thieves of large amounts of money, but they're now going to use it to read people's lips and chase them down and fine them for cursing. I don't think that's quite what people had in mind when they put in those closed-circuit televisions. Nonetheless, that's how they're going to use it. Is that what they intended when they first put that in? No, it wasn't.

Here's another one. A large hospitality consortium here in the wonderful city of Edmonton with a number of locations in the fabulous constituency of Edmonton-Centre had shut down a few locations and found that they had been broken into and a USB memory stick containing employees' personal information stolen. There was no video that was doing surveillance on their location, and the alarm system didn't work. Nonetheless, out there somewhere is a nonencrypted memory stick containing the personal information – home address, social security number, description, photo, signature – of every employee that hospitality consortium had ever had. They don't know where it is. They don't know how to get it back.

Also, this same hospitality consortium regularly, with the blessing of this government because I was here when it was debated, collects and takes a copy of the driver's licence of every person who comes into their establishment, which, again, includes a photograph, a signature, a home address, a description of what they look like. It's a lot of information. They scan that information because they were going to help bring down drug dealers and terrible people that were causing problems in these bars. Is that what they used it for? No. What they used it for was to get dates with some of the pretty girls that happened to go through. Not quite what they'd said they were going to use it for.

The last example is stolen credit cards. I tried to phone and report a stolen credit card, and I couldn't despite the fact that I was giving the full legal name of the individual who owned the card, two legal addresses by which they could track them down, one in the States and one in Canada, and their date of birth, which should be good information to be able to track anyone down. This company couldn't do it, could not locate the person and their credit card number. Now, why is that? Well, I finally found out after a lot of digging. This, in fact, was not Visa. This was a contracted company that deals with stolen Visas but only the black ones and the gold ones. They kept saying, "What colour is the card?" I kept going: "It doesn't matter. It's stolen." "Well, we don't deal with the blue ones." "Oh, okay." What were they doing with all of this information? They couldn't even manage to find the right person. Is that why you gave all your information to Visa, so it could go to a contracted company so they could manage not to locate you when your card is actually stolen?

#### 3:40

What is it that happens with personal information? Do you know where the biggest breach of personal information is? Somebody knowing they're not supposed to use that information and doing it anyway. Those are where the breaches always happen. Almost always. It's not security. It's not technology. It's individuals knowing they're not supposed to do that and doing it anyway.

So back to this bill. We have a bill that says: this is going to stop people from stealing copper. How? What it's going to do is take down the information of everybody that comes in there to sell or trade copper. My dad – God bless him – has collected every single thing he's ever used in his life. It's all neatly tied up. It's all inventoried. When he passes over – it won't be soon – I will have to go and dismantle that garage and sell all of this stuff he's collected: all the acetylene torches and the welding and the arc welders and pipe and the solder stuff and all the gubbins that someone like that collects. I will be taking in copper wire that an old man has collected, but now I will have to give all of my personal information because I might be a bad guy, and they need a paper trail on me. Yeah.

Did it stop the guy next door from stealing the copper wire? No, it didn't, but it does give personal information over to a small-business individual. Let's talk about them. We supposedly love small-business people. Why on earth would we put them in a position where they have to now go out and probably get a computer system and probably send someone to be trained on it? How many of you have been at a scrap metal dealer that was neat and tidy, and every piece of paper was as white as snow? No answer. Well, I bet you they're not going to be keeping these informational recipe cards in a little box. They're going to end up having to put in a computer system, and that's not a small amount of money for someone whose profit margin is pretty small.

So now we've got a system that doesn't do what it says it does. It does collect information on every single person who walks through the door and, basically, makes them criminals or treats every decent, law-abiding person as a criminal because it's creating a paper trail for a possible thief somewhere. And it creates an additional burden of expense, time, training for a small-business person. How is this effective in the slightest? It's not.

I don't blame the member who has proposed it, because he's trying to address something, but this constant default to, "Well, let's capture everybody's personal information, and that'll solve the problem" doesn't solve the problem. This bill is not going to solve the problem. It's going to collect a lot of people's personal information.

Now, let me loop back to where I started. Why is collecting people's personal information a big deal? Why is it a problem? Because it gets abused. Because those very people that are supposed to know that they're not supposed to fool around with it fool around with it. Those people look at it and go: "Oh, my goodness. Lookit. That's a whole cache of information we could market to or we could capture for some other use." They go ahead and do that even though that's not what you wanted. So it doesn't stop the thieving. It does collect information, and that information ends up getting into other people's hands and being used for purposes that you didn't sign up for.

When you actually look at the information, it's not giving us a lot of what is going to go on there. I'm aware that I'm going to run out of time here, Mr. Speaker, but let's just start with "a scrap metal dealer... shall inform a person." Well, inform them how? A sign on the door? Do they have to say it verbally to every person that comes in there? Do they wear a T-shirt that says this? What? How are they supposed to inform?

It then goes on to say that they have to hang onto that information "for a minimum of one year after the transaction" but gives no maximum. So this small-business person is now supposed to keep files forever? I guess so. Now we've incurred storage costs for a small-business person.

Please don't support this bill. Nice idea. Bad implementation.

#### The Deputy Speaker: Thank you, hon. member.

I'll recognize next the hon. Associate Minister of Wellness, followed by the Member for Edmonton-Beverly-Clareview.

**Mr. Rodney:** Thank you, Mr. Speaker. I am very pleased to rise today to speak to Bill 201, the Scrap Metal Dealers and Recyclers Identification Act, as introduced by the hon. Member for Strathcona-Sherwood Park. I have found this member to be truly inspirational. This has been a long row to hoe for this member, and he's been a true champion for the cause.

Bill 201 does seek to prevent scrap metal theft, which, with the increasing price of many metals, has become a major issue in many jurisdictions. In addition, it'll provide additional resources to our peace officers when investigating such theft, and the bill would do so by requiring that scrap metal dealers and recyclers record the identities of individuals selling scrap metal in addition to other identifying information. That is true. This information would be available to authorities, who could use that information for the purpose of investigations.

Now, Mr. Speaker, as I mentioned, the hon. member has worked very hard to find a solution to the issue of scrap metal theft for a number of years, and I'm happy to see that such a strong bill has been the result of those efforts. That's just one of the reasons why I'm supporting the bill here today. I believe that it does have the ability to greatly reduce scrap metal theft, which has become a serious problem.

The main reason for this, of course, is that since about 2003 global metal prices have been rising, astronomically in some cases. As an example, from 1996 to 2006 the price of aluminum rose 87 per cent, from just 62 cents a pound to \$1.16. Copper prices, as many are aware, have seen an even bigger increase of 191 per cent, rising from \$1.05 per pound to \$3.08. The price of rhodium, a rare metal, has risen from \$2.08 per pound in 1996 to \$43.59 in 2006. With prices like this it's small wonder that theft has also risen.

Police have identified not only a trend of thefts becoming more frequent; they've also recognized that scrap metal thieves are taking bigger and bigger risks to get that metal. There have been cases in which people have been electrocuted – they've

electrocuted themselves, as a matter of fact – trying to get their hands, literally, on valuable metal wiring. Not only is this a major health and safety hazard, but the theft of live wires means that functioning infrastructure has been damaged in the process, and that, of course, multiplies the negative impact of the theft. For example, the theft of fibre optic cables or phone lines could knock out life-saving 911 services in a community.

Now, other common sites for scrap metal theft are construction sites such as LRT extensions and high-rise developments, which would slow the progress of these projects and cost developers countless dollars to repurchase materials and rebuild damaged edifices.

Mr. Speaker, it's clear. Scrap metal theft is a major concern, and Bill 201 offers a way to deal with this issue, proposing that provincial legislation be established to control the sale and purchase of salvaged and scrap metal. At this point there is no provincial legislation in place that deals explicitly with the prevention of theft related to the sale or recycling of scrap metal, so Bill 201 is a novel idea provincially.

However, it's worth noting that on the municipal level there is a bylaw in place in Calgary that does deal with the issue already, so it's certainly worth taking a look at that. That particular bylaw requires that all scrap metal transactions be reported to the Calgary Police Service. Specifically, these transactions include situations where scrap metal "is received, processed, stored or dismantled prior to being sold or disposed of." In these cases the business accepting the metal is required to record the seller's full name and current address, to provide a full physical description of the person and the property they are selling to, and to record two pieces of identification. Additionally, the bylaw states that scrap metal businesses, including salvage yards, must not accept second-hand metal from any person who appears to be under the influence of alcohol or drugs, is under the age of 18, refuses to show the required ID, or is not the true owner of the scrap metal in question

So that's the municipal level. If we look across Canada, across the provinces, the trend seems to be that as municipalities recognize that scrap metal theft is becoming an issue, they've started to develop these types of bylaws. For example, Mr. Speaker, in Maple Ridge, B.C., authorities are currently developing a scrap metal identification bylaw. That is the result of a string of thefts, including a very unfortunate theft late last year of a war veterans memorial plaque.

#### 3:50

Now, Mr. Speaker, I think we can all agree that in light of the rising prices of metal and the subsequent increase in scrap metal theft something more needs to be done. While municipalities have been dealing with this issue for some time, the provincial government is better positioned to deal with such an expansive problem. Our government has a broader jurisdiction and is thus able to set standardized rules across all of Alberta, protecting every community from scrap metal theft. In addition, if the laws become province-wide, it will prevent thieves from simply taking their scrap metal and selling it to the next city or town that does not have a bylaw in place. While I'm grateful that some municipalities have taken the issue into their own hands to protect their citizens and their infrastructure from this type of vandalization, I think our province can play an important role in doing so as well.

Currently scrap metal dealers are under no obligation to assist the police in theft investigations, but Bill 201 would give police the ability to review the records kept by scrap metal dealers. It would also give them authority to review and copy the files kept by salvage yards and other metal dealers. This will make a world of difference in terms of enabling the officers to resolve cases more quickly and efficiently, saving valuable time and resources.

Mr. Speaker, other types of reporting systems have been proposed in the past in order to prevent certain types of theft. For example, in Calgary a few years ago a system called RAPID, regional automated property information database, was proposed to keep track of pawnshop transactions. This system would have provided the police with instant access to transaction information from all pawn- and second-hand shops as well as precious metal and scrap metal businesses. Now, in the end, however, I can tell you that Calgary did not decide to incorporate this technology, in part because it would have been quite onerous and demanding on our already hard-working business owners. There's a difference here with Bill 201. I believe it strikes the right balance, holding the businesses to account across the province while not making unreasonable demands for reporting.

As a whole, I believe that this bill will help to reduce scrap metal theft and help us to solve cases where it does happen. All of this, of course, would benefit our communities here in this growing province. As such, I will definitely be voting in favour of this bill today, and I do urge all of our colleagues from all corners of the House to do the same. Once again, thank you so much to the hon. member for spearheading Bill 201 and addressing this important issue.

Thank you very much, Mr. Speaker.

# The Deputy Speaker: Thank you, hon. minister.

I'll recognize the Member for Edmonton-Beverly-Clareview, followed by the Member for Olds-Didsbury-Three Hills.

**Mr. Bilous:** Well, thank you very much, Mr. Speaker. I'm happy to stand and speak to this bill. I can appreciate the fact that my colleagues on the other side of the room are looking to bring forward legislation that would cut down on criminal activity and ensure that property owners and their properties are in safer hands or in safe hands.

The challenge that I have with this particular bill, Mr. Speaker, is that it has a very negative effect on a very large group of people who live within our province, and I'm talking about those who daily do jobs that other people wouldn't want to do. They're the ones who are going through old computers and televisions, going through dumps, pulling out copper, pulling out the valuable pieces of metal that we wouldn't use, that we would otherwise get rid of, and then they're taking it and selling it at some of these scrap metal yards. I speak first-hand. The school that I taught at for six years had a scrap metal yard right beside it. That metal yard, unfortunately, was torn down last year when a new development went up and has seriously displaced where people go to take this.

What I want to highlight is the fact that that was an economy all on its own, where you had people recycling old metals, taking them in in order to make some dollars . . .

Ms Blakeman: Self-sufficiency.

#### Mr. Bilous: Right. Thank you.

You know, these are people who were working. By introducing this bill or bringing forward this legislation, you're now going to make it extremely difficult if not impossible for these people to do this. If you ask how, well, many homeless people do not have identification. Part of the problem that they don't have identification is because you need to have an address; you need to have a permanent residence. "Well, that's wonderful. I don't have one." "Well, you can't get one."

Well, with this bill now the person who is working, who's not sitting around drinking or waiting for life to hand him or her things, who is out there working in order to pay their way, cannot because they don't have the proper ID. They don't have the proper permanent address in order to get a proper ID. Although this bill looks okay at the outset insofar as helping out some, you know, I truly think that the laws that we currently have regarding theft – I mean, the last time I checked, it's still illegal to take something in Alberta that's not your own. So if plaques are going missing, theftwise, well, by all means we need to crack down on that. I also question the dealers that are buying these illegal objects, which clearly aren't from the person who brought them in.

When we're talking about, you know, breaking down wiring, old equipment, old telephones, and junk and deriving the use from that, this is a form of recycling that would not happen otherwise, and the fact of the matter is that it's benefiting all of us environmentally but also financially because they're contributing to the economy. I hope that my Wildrose colleagues will acknowledge that point.

I stand here today speaking in opposition to this bill. I can acknowledge that there is theft and that a rising number of thefts are happening, that, obviously, I disagree with and that should be stopped. I think we do need to come up with a creative solution, but I do not believe that Bill 201 will do that. If anything, it'll have a more negative effect and harmfully impact a large, large group of people who often are nameless and faceless but whose lives and livelihoods depend on this.

Ms Blakeman: And contribute to the economy.

**Mr. Bilous:** And, again, these are folks who are contributing in a very significant way to our economy.

With this legislation in place I could see other adverse side effects rise up. I'll ask my colleagues in the Legislature to reject Bill 201 on grounds of financial, moral, and environmental reasoning. Thank you.

#### The Deputy Speaker: Thank you, hon. member.

I'll recognize the Member for Olds-Didsbury-Three Hills, followed by the minister of environment and sustainable resources.

Mr. Rowe: Thank you, Mr. Speaker. I'm pleased to rise today and speak to Bill 201. I won't reiterate the good points and the points that were made by my colleagues here, but this is of particular interest to me. As an electrical contractor for the past 35 years I have seen first-hand a number of instances where theft of copper wire as well as aluminum wire has caused major problems on construction jobs. It is no coincidence that incidents of theft happen to rise as the prices of copper and aluminum rise. Employee theft as well as breaking-and-entering damage done by thieves is a major cost to contractors and, therefore, in the end to all consumers.

Mr. Speaker, I have personally seen homes under construction that are in the rough-in stages of electrical and plumbing work completely ravaged by scavengers who were after both copper wire and copper pipes which were stolen for resale. In fact, copper plumbing and pipes are no longer being widely used and have mostly been replaced by plastic pipe. Copper wire, however, is still very much in use and is very valuable. Reels of copper wire must be removed from sites on a daily basis and returned the next day in order to avoid the theft. This also adds to construction costs, which, again, are passed on to the consumers.

Mr. Speaker, Bill 201 aims to cut down on the theft of scrap metal. If we can decrease scrap metal theft, contractors will not be

experiencing the increased costs related to those thefts, and the consumer will also be protected from those increased costs. Is this the be-all and end-all? Will this fix the problem? Absolutely not, anymore than any bill fixes crime.

I will be supporting this bill, Mr. Speaker, and I encourage all members of this Assembly to do the same. Thank you.

4:00

#### The Deputy Speaker: Thank you, hon. member.

I'll recognize the Minister of Environment and Sustainable Resource Development, followed by the Member for Rimbey-Rocky Mountain House-Sundre.

Mrs. McQueen: Thank you, Mr. Speaker. It certainly is a pleasure to rise today and join my hon. colleagues in the debate on Bill 201, the Scrap Metal Dealers and Recyclers Identification Act, brought forward by the hon. Member for Strathcona-Sherwood Park. Before I begin, I would first like to thank the hon. member for bringing this forward today in the House. I know that he is very passionate about this issue and that this is not his first time bringing this legislation before the House, which makes him both passionate and determined about this legislation going forward.

Bill 201 focuses on deterring scrap metal theft, which is an increasing problem that may not be receiving the attention it so deserves. It first identifies which materials should be considered scrap metal and goes on to establish specific regulations and responsibilities for scrap metal dealers and recyclers. As we currently sit, Mr. Speaker, Alberta does not have any scrap metal dealers and recyclers identification legislation.

Mr. Speaker, Bill 201 is in line with our government's commitment to the prevention of crime and the promotion of safe communities by creating standards for scrap metal dealers and recyclers, including mandatory collection and storage of transaction information for the duration of at least one year. To address crime on all fronts, we must also have effective and timely legislation that complements our other efforts.

Today, Mr. Speaker, I will focus my comments on an overview of scrap metal theft in our province and highlight how and why the issue needs to be addressed. First, it is no secret – and the RCMP has admitted this as well – that the theft of metals, particularly copper, is common throughout Alberta. These items are readily sold for cash at various scrap metal dealers. For the past number of years there have been numerous news stories covering scrap metal theft throughout Alberta. These news articles highlight many issues surrounding this crime, including damages done to both public and private property in addition to safety risks to communities and the individuals stealing scrap metal.

Copper is the most publicized scrap metal we have been hearing about in the news. In recent years the global copper inventory has been declining. This is one reason behind an increase in copper prices of some 330 per cent and a corresponding rise in the number of copper thefts. In addition, between 2002 and 2006 the global price of aluminum has increased substantially. Aluminum nearly doubled, and we saw a fivefold increase in the value of rhodium. As we can see, Mr. Speaker, scrap metal theft can be very lucrative, and Bill 201 recognizes this as being an issue.

It may be unclear as to how these scrap metals could be so valuable. Some of the most common applications for copper are for electrical use, plumbing tubing and fixtures, casting, and heat exchangers. Other common uses include manufactured products such as doors, windows, house siding, beverage cans, foil products, cooking utensils, and street signs. Rhodium is primarily used as a finish for jewellery, mirrors, and searchlights but also can be used in various electrical connections.

The most common location of scrap metal theft is on secure construction sites after regular working hours, but fenced compounds, trucking and manufacturing yards, and even LRT extension sites are frequently targeted by scrap metal thieves as well

Mr. Speaker, as I mentioned earlier, stealing and off-loading scrap metals such as these is not difficult to do. In fact, the Calgary Police Service estimates that in the first 10 months of 2011 alone more than \$600,000 worth of copper had been stolen in Calgary, with an additional \$88,000 in estimated damages. Meanwhile, in the city of Edmonton the reported value in this same 10-month period is just shy of \$1 million, with an additional \$95,000 in damages. This is just copper; never mind the other types of scrap metal.

There are approximately 10 salvage yards in Calgary and 12 in Edmonton. There are also numerous others in small centres throughout the province. When we talk about small centres, I've had the opportunity to talk about copper wire theft to many of my constituents, certainly those at rural crime watch meetings, the RCMP, business owners, and various people from my constituency who have phoned, e-mailed, and talked to me at different places to support this piece of legislation.

We know that Bill 201 calls for a legal requirement that scrap metal dealers obtain photo identification from anyone who exchanges scrap metal for cash and to record this valuable information. This would eliminate the relative ease scrap metal thieves currently enjoy as no law requires any record of these transactions at present. As it currently stands, scrap metal dealers in Edmonton conduct business in the absence of any existing local bylaws, provincial or federal legislation related to scrap metal.

Mr. Speaker, it is my understanding that of the companies canvassed by the hon. Member for Strathcona-Sherwood Park, several indicated that they do in fact identify and keep track of the licence plate numbers of all vehicles that have sold scrap metal to their dealership entirely of their own accord. However, some companies have said that they require no identification at all. While business practices vary between companies, the security threshold in the scrap metal industry for the most part appears to be lacking. My concern is that without a formal piece of legislation like Bill 201 to combat this issue, scrap metal theft in our province may only get worse. As we know, the instance of scrap metal theft is on the increase, and with the prices of these metals also increasing, this problem doesn't appear to be going away any time soon.

I think that under these circumstances law enforcement needs to be better equipped in order to deal with this problem head-on, and this is one of the many tools we can afford to them. It is readily apparent that the hon. member has conducted extensive stakeholder consultations with law enforcement authorities, organizations representing scrap metal dealers and recyclers, privacy commissioners, and other jurisdictions. Much thought and time has gone into addressing the concerns of all parties and learning from the best practices developed in other jurisdictions experienced in this type of regulation, all of this so that we can vote confidently that this legislation equips our peace officers with the proper tools to get to the root of the problem.

Again I would like to thank the hon. Member for Strathcona-Sherwood Park for taking on this worthwhile challenge and for bringing this bill forward to debate. I for one will be supporting this legislation, and I urge my colleagues to do so as well.

Thank you, Mr. Speaker.

The Deputy Speaker: Thank you, hon. minister.

I'll recognize the hon. Member for Rimbey-Rocky Mountain House-Sundre, followed by the hon. Member for Lesser Slave Lake.

Mr. Anglin: Thank you, Mr. Speaker. I rise also in support of this bill, but I do have some concerns. As with all laws there are some issues that can arise. I want to speak in favour of this bill because of my own past experience both as a police officer and as an engineer for a phone company who was a victim of multiple thefts of phone cable for scrapyard purposes. With regard to what the hon. member from the third opposition party said, the reality is that if we have good enforcement here, it'll actually save lives and prevent people from being hurt.

One of the greatest and easiest ways to steal copper phone wire is to look for self-support cable that has just been hung by the line crews. All an individual has to do – and they do this fairly regularly – is climb the pole or climb out of a window if it's between buildings. They slash the cable just half an inch, and then they jump and ride that down as if they were Tarzan on a swing. They come up with a tremendous amount of cable that they roll up quite quickly, and they run to the scrap metal dealer. I can't tell you how many times someone has been hurt doing that. It's a quick way to come up with a very large amount of copper to basically, quite honestly, supply a drug habit. They've done this.

4:10

I can remember as an engineer having the line crews hang a cable, and then going in the next day and the cable is gone, and then hanging a cable again, going there the very next day, and the cable is gone. It took the police quite awhile. They had to camp out to catch this individual. That's how we caught him sliding down and running away with the cable. This is a common practice. It's mostly relegated to the urban areas because that's where they use self-support cable, but it's extremely dangerous. It's extremely dangerous.

There are some issues with the bill that I'm concerned about, particularly section 3(5), that puts an onus on the scrap metal dealers to report within 24 hours a weight that would exceed the regulation. As we all know, the devil is always in the details of the regulation.

Now, I would prefer it if the wording was that if the owner thought it was an issue dealing with criminal activity, the onus would be on them to report a suspicion of criminal activity. What I worry about is that we have the regulation, the owner is abiding by the law, then the regulation changes — the weight changes or whatever — and the next thing you know, an owner is in violation of the law and they don't even know it. But the onus is on the actual proprietor. It's something to be careful of when we deal with these issues.

I am absolutely in favour of documenting who's selling scrap metal. This is important for our economy. It is important to lower the theft. It can actually help to make it a little bit more difficult for the black market, so it has its value.

I want to go back to section 3(5). If the onus is on the police force, it's real easy. If there was a large theft of any kind of metal, I know what the officers do. The detectives do this automatically. They will be contacting the scrap metal yards, finding out if large amounts of copper are finally being brought in for sale. As long as that's being identified, the detectives can easily follow their work and track down this individual and investigate. I just worry that we might put the onus on the owner. Then all of a sudden, unsuspectingly, somebody in the business of scrap metal finds themselves in violation of the regulations and could be subject to a fine when their intention was never to violate the regulations and

never to actually break the law. So I caution on that one point. In reality the law itself is, in good faith, a good bill. It can do some very good things for our society, and it can protect the safety of the public given how some of these thefts occur.

Going back a little bit further, the hon. member talked about the theft of copper wire on the residential side, particularly at construction sites. I have to tell you that the things thieves will do to gain access to a construction site, the danger they put themselves in unnecessarily is beyond reason in most cases. This bill would basically stem that tide. It would make it far more difficult to market the illicit metals. If it's effective – and I can't say it will be – I think it will put a dent in it. Once it's difficult to sell illegal metal, to get money for that illegal metal, for that contraband, then these thieves will be looking for some other source of income. They won't be going down this route.

I will be supporting this bill. I think I'm going to bring an amendment to that one section, and hopefully the other side will actually take that in good faith.

Thank you, Mr. Speaker.

# The Deputy Speaker: Thank you, hon. member.

I'll recognize the Member for Lesser Slave Lake, followed by the Member for Little Bow.

**Ms Calahasen:** Thank you, Mr. Speaker. I'm pleased to rise today to support Bill 201, the Scrap Metal Dealers and Recyclers Identification Act. Before I share some of my thoughts on this proposed legislation, I would first like to thank the hon. Member for Strathcona-Sherwood Park for bringing forward this important bill for debate. He's been at it for a long time, and I'm so thankful that he's been able to carry it through.

Mr. Speaker, the goal of this legislation is to prevent scrap metal theft in Alberta by setting out clear and explicit responsibilities for scrap metal dealers and recyclers throughout the province. Bill 201 would require scrap metal dealers to record certain information regarding their purchases and their sales, including the identity of the seller and details of the transaction.

These conditions would give police greater resources for both solving the investigation of scrap metal theft and preventing future occurrences. I believe Bill 201 would help reduce scrap metal thefts, thefts which burden Alberta businesses and citizens by causing damage to their property and significant financial loss, as we've heard from our colleagues.

These damages to public and private property are quite significant, which is why I would like to focus my comments on that topic today. In the last decade the value of common scrap metals has gone up substantially. We know that this leads to increasing theft, which in turn results in an increasing financial burden on those Albertans and businesses preyed upon by scrap metal thieves.

We also know that this problem is not unique to Alberta. Almost every jurisdiction in North America has experienced similar problems with scrap metal theft. Scrap metal yards, power lines, large-scale construction projects, and even private residences have all been targeted by thieves. These thieves are going after unconventional sources of scrap metal as well. Manhole covers, road signs, and even the catalytic converters in vehicles have all become targets for scrap metal theft. As examples these sources of scrap metal are indicative of the lengths thieves will go in order to be paid for stolen items by a scrap metal recycler.

Similarly, industrial compounds and job sites have also experienced thefts though usually on a larger scale. Copper, as we've been hearing during this debate, is one of the main targets

for thieves, probably because of its ever-increasing value. It is commonly used in many daily items, including electricity lines, computer components, data and phone transmission lines as well as appliances. The price of copper, as the Minister of ESRD has indicated, has been at or near historic highs for the last five years, fetching between \$2.60 and \$4.60 per pound. These prices have made thieves more aggressive in their efforts to steal copper wherever they can find it.

In the past scrap metal thieves have also targeted utility companies for their copper wiring, causing thousands of dollars in damage. It's these companies that then get stuck with a bill for replacement wire. Recently, just last month, two tandem trailers loaded with about half a million dollars' worth of copper wire were recovered after being stolen for their scrap metal value.

In June of this year copper wire was stolen from a communications tower outside of Edmonton, where the damage and loss were estimated at \$25,000. This theft left the communications tower without a grounding line, and after the tower was struck by lightning, emergency calls were compromised for over a day in the area. In August of 2011 a number of spools of copper wire were stolen from an industrial compound east of Edmonton. The total cost of stolen property was roughly \$600,000, the wire alone making up \$300,000 of the total.

Mr. Speaker, that occurrence of theft could have delayed work from proceeding because the wire that was stolen was set to be used the following week. If police would not have been tipped off by a local farmer about the theft, that business would not only have had to wait to continue the work that required the wire; they would also have suffered substantial financial losses. The stolen copper wire would have garnered a great deal in scrap metal value and possibly even impacted the company in such a way that would have directly affected its employees.

Mr. Speaker, private citizens and small businesses have also been targeted by scrap metal thieves in Alberta. When a new business, home, or condominium is being built, the job site can often become a magnet for individuals looking to steal wire, pipe, conduit, or even metal siding or flashing. You can imagine how difficult it must be for Albertans, who work hard for their money, to deal with the theft of metals from the home or business they are building or renovating.

Mr. Speaker, I think it is clear that the effects of scrap metal theft can be widespread and significantly damaging to public and private property. I really do believe this bill would help reduce cases of scrap metal theft across the province. When thieves are in the process of stealing scrap metal, they often have to trespass and destroy private property to take what they want. The repercussions of this are far reaching and can affect thousands of people.

In April 2010 phone service to hundreds of citizens in Big Lake, near St. Albert, was disabled after thieves dug up and removed about 500 metres of copper cable. That is extremely unsettling, considering that severed electrical or phone lines can affect access to essential services like emergency response teams or fire crews. Oftentimes these crimes damage power supplies, causing outages which can be devastating to computer networks and the businesses that rely on them. The effects of power outages may require companies to replace and repair costly equipment. Furthermore, the financial implications of power outages can cause lost revenue, including the cost of service restoration.

#### 4:20

Scrap metal thieves waste thousands of man-hours for utility companies, private businesses, and law enforcement. In addition, they burden businesses by reducing profits and incurring expensive service restoration projects. Bill 201 would aid law

enforcement officials, the scrap metal industry, and all Albertans in curbing the destructive act and consequences of scrap metal theft.

I would like to once again thank the hon. Member for Strathcona-Sherwood Park for putting forward this proposed legislation. The issue of scrap metal theft is becoming a greater concern to Albertans, businesses, and law enforcement officials as well as our health care. This bill sheds light on how we might implement provisions that would prevent metal thefts and the exchange of stolen property. I look forward to seeing all of our colleagues supporting this bill.

Thank you.

**The Deputy Speaker:** Thank you, hon. member. I'll recognize the Member for Little Bow.

**Mr. Donovan:** Thank you, Mr. Speaker. [some applause] Thank you, hon. colleague from Medicine Hat, also.

I'd like to stand up here and support this motion by the hon. member. It's a worthwhile piece of legislation, and I support the initiative to protect Alberta's scrap metal recycling industry. Also, it is nice to see a member of this government propose legislation against something most Albertans would deem inappropriate.

There is, however, a fundamental and serious problem with this piece of legislation which I'd like to raise for this House's attention. While laws need to be flexible enough to work within the framework for adequate enforcement, they still must provide guidance for what the intended enforcement is on the law. Mr. Speaker, when I was a child, my mom used to always say: do blank or else. Well, I think this does address the "or else," but I'm not entirely sure what it does for the "blank."

For instance, we have not defined what the set weight is for the purpose of section 3(5) or what conditions a person selling or providing must meet before the dealer may purchase the scrap metal. This, in essence, removes our ability to legislate the acts which we intend to enforce for all Albertans.

With those points being raised, I'd like to voice my support for this legislation, and I am looking forward to any clarification on this bill that comes forward for the following readings. I can also bring up that in the small farming community where I'm from, Mossleigh, the old school got cleaned out of the copper in it and also the copper in some of the old elevators, which we had to replace in order to use the elevators as we still make use of them.

This, again, I think is a very good piece of legislation because it would add to the point that people cannot sell that without the proper identification. I'd like to thank my colleague from Strathcona-Sherwood Park for his motion here in Bill 201.

Thank you, Mr. Speaker.

**The Deputy Speaker:** Thank you, hon. member. I'll recognize the Member for Calgary-North West.

Ms Jansen: Thank you, Mr. Speaker. I am pleased to rise today and join the debate on Bill 201, the Scrap Metal Dealers and Recyclers Identification Act, brought forward by the hon. Member for Strathcona-Sherwood Park. Scrap metal theft in Alberta is on the rise, and Bill 201 aims to reduce it by setting out detailed actions and responsibilities for scrap metal dealers and recyclers. While aligning with the government's goal of crime prevention and safe communities, this bill would minimize the economic and social costs associated with scrap metal theft by creating standards for scrap metal dealers.

Due to the increasing value of products such as copper, the number of scrap metal transactions is on the rise. Targeted areas include LRT extensions, oil field and construction sites, and existing storage and salvage yards. However, these criminal acts of theft not only hinder businesses financially; they also pose a serious threat to public safety.

Careless theft by a perpetrator can result in serious injury or death. Specifically, the practice of burning or cutting copper or other metals poses a risk to thieves. In recent years news agencies have highlighted an increasing number of scrap metal thefts throughout our province. The *Calgary Herald* reported in 2008 that a deceased man was found at the bottom of an Enmax electrical vault who was presumed to be stealing copper wire. A further example is of a man killed in Texas after he was shocked by 69,000 volts of electricity while standing on the top of a substation transformer cutting off one of the wires. Earlier, in 2009, a 32-year-old man was found dead after he'd broken into an electrical substation and was electrocuted, cutting power to 800 customers in the process.

Another instance occurred in Riverside, California, in June 2009, when two men trying to steal wire were found electrocuted near a utility transformer, in turn blacking out the city for two hours. Across Canada there have been incidents in which people have been electrocuted or burned as a result of trying to steal wire from transformers.

More importantly, Mr. Speaker, I think of the inherent danger scrap metal theft poses to the unsuspecting public. If an employee arrives at his or her work assuming that everything is grounded and in working order, as it was when they left, they could be seriously injured or even killed. Often ground wires for electrical boxes and transformers are composed of copper. If these are successfully stolen, an unassuming and unaware worker could enter the area and be exposed to extremely dangerous and unstable electrical conditions.

Workplace safety is a priority of industry in this province, and scrap metal theft poses a serious threat to maintaining that high standard. The peril of scrap metal theft does not end, though, at the scene of the crime, Mr. Speaker. An additional safety concern of police is burn pits. These are remote locations, often found in rural areas, where the thieves burn the insulation and the coating off stolen goods. This burning process is done to ensure higher prices are earned at salvage yards. These burn pits pose a high fire risk in their areas, and the environmental impact from melted plastics is a concern for air quality.

Mr. Speaker, it's also commonplace for thieves to have small workshops where they strip wire. Often found in Sea-Cans or abandoned buildings, these makeshift shops pose a danger to the public. They contain propane tanks, torches, power tools, and those are often improperly stored.

Another danger to public safety is the theft of manhole covers and sewer grates for profit throughout the industrialized world. Consequently, a number of incidents have occurred affecting motorists, cyclists, and pedestrians, resulting in serious injury and often death.

Mr. Speaker, as the global copper inventory continues to decline and prices continue to rise, metal theft is only going to increase. A further concern is that many of these crimes occur at main substations and transformers. This can lead to severe power outages, which are a risk to a community's essential services. Traffic lights could be affected, raising the risk of motor vehicle accidents. Accordingly phone and 911 services could be limited, causing serious implications for emergency medical care. A power outage goes far beyond the inconvenience and the general discomfort of the public. It's important to highlight that scrap metal theft not only harms individuals but entire communities.

It seems that organized crime has gravitated toward stealing scrap metal because of its rising value. This, coupled with a lack of regulation, means it's easier and easier to steal metals, and thieves are less and less likely to be caught. Specifically, gangs looking for quick money have targeted scrapyards, unguarded maintenance shops, and businesses. This sort of organized crime is the precise threat to our communities that this government is dedicated to combating. Whatever can be done to stifle its proliferation is a step in the right direction.

This government has placed a very high emphasis on programs like the safe communities initiative. This initiative strives to help eliminate organized criminal activity, which is such a detriment to our society. The hon. member's bill strives to deter criminals who are looking to make an illegal profit. With approximately 10 salvage yards in Calgary, 12 in Edmonton, and many scattered in smaller urban areas throughout the province, selling and off-loading scrap metal is not as challenging to thieves as it should be. Through mandatory identity recording and specific restrictions and responsibilities for scrap metal dealers and recyclers, Bill 201 aims to aid our law enforcement in tracking down and quashing scrap metal thieves.

Mr. Speaker, Bill 201 provides additional tools that our law enforcement needs not only to minimize the economic incentive of scrap metal theft but also the inherent danger to public safety. Therefore, I support the hon. member's bill and look forward to hearing the thoughts and ideas of my fellow colleagues on the issue.

Thank you, Mr. Speaker.

1.30

#### The Deputy Speaker: Thank you, hon. member.

I'll recognize the Member for Cardston-Taber-Warner, followed by the Member for Edmonton-Gold Bar.

Mr. Bikman: Thank you, Mr. Speaker. I'm honoured for the opportunity and appreciate being able to speak in favour and support of this bill. I'm not generally in favour of more regulations, having been in the trucking business for so many years and been, well, I won't say persecuted, but it felt like it sometimes. I know that regulations are necessary to keep order in society, and this appears to be one that's designed with a number of clear objectives in mind, among them reducing the cost of theft.

Theft, of course, is a great expense to society, not just to detect and persecute or, rather, prosecute those who are perpetrating the crimes – a little autobiographical comment slipped in there – but to give people the tools that they need to make it easier to identify the instances of theft or likely theft. Put some responsibility on the dealers, and I think they can probably tell when shady things are happening, by making it easier for them to justifiably report things like this without feeling guilty about doing so. It provides the tools to the police. They now have more people working on behalf of their efforts to reduce the cost of theft. It provides clear consequences to criminal activity. We know that the likelihood of being caught committing a crime is, in and of itself, a deterrent to the commission of that crime.

I believe that there's a protection to the public, too. Sometimes when things are taken like this, there can be inadequate supports left for the structures that are standing. It was mentioned about the manhole covers. Clearly, we've heard of examples of manhole covers being stolen and people actually being injured. As they walk along unsuspectingly, the ground literally disappears beneath them, and they could be seriously injured. No laughing matter, but you've seen it in the movies, and it is pretty funny when you see it. Well, we don't want that happening because in real life it causes injury and can cause death, too.

So we've got clear objectives. It meets the test there, I believe. We're giving our police and the people who might be tempted to purchase a way to deal with that effectively and to identify people that might be tempted to commit these crimes. I think those are important tools for them to have.

I am fully in support of this and hope that all people will vote for it, recognizing that it's a great benefit to our society.

**The Deputy Speaker:** Thank you, hon. member.
I'll recognize the Member for Edmonton-Gold Bar.

Mr. Dorward: Thank you, Mr. Speaker. It's an honour for me to rise today in this Assembly and speak to Bill 201, the Scrap Metal Dealers and Recyclers Identification Act, brought forward by the hon. Member for Strathcona-Sherwood Park. I have been impressed by the knowledge that he has in this area. I've spoken to him a couple of times about it. He has given it his due attention. He's talked with his colleagues, and I know that he's been out in the community a lot. It is time to institute this provincial legislation to deal with the issue. As I will explore, there is evidence to suggest a correlation, indeed, between increases in metal prices and increases in both the theft of metals as well as the resulting damage to public and private property.

There are many benefits to this bill. First, it aims to provide additional tools for law enforcement. Secondly, it takes aim through legislative direction at scrap metal theft, a common problem that affects many jurisdictions in Canada, Mr. Speaker. Now, I stand before you today to discuss some historical trends of metal prices in relation to that increased theft of metal, but first I'd like to spend a little more time reviewing some of the specific aspects of the bill itself, as I understand it, and how it might achieve its objective in order to deter metal theft in Alberta.

The bill proposes the outlining of specific restrictions and responsibilities for scrap metal dealers and recyclers. It also takes on the more basic but paramount task of determining which materials are included in that definition of scrap metal. It's perhaps noteworthy that until now there has been no clear provincial definition of the term. It might be argued that this is one of the reasons that metal theft has become, in fact, more common. Establishing a clear-cut definition of the materials is at the heart of the matter and will enable our government to strengthen the legislation and the monitoring of scrap metal. Moreover, the lack of definition of the term "scrap metal" itself and the detailed rules regarding the exchange of these metals suggest that perhaps the issue warrants further attention.

But, Mr. Speaker, the history of scrap metal theft in Alberta needs to be discussed first in this House, and we need to have legislation that will assist. In order to narrow the scope of the discussion, I'll use copper as a prime example. It's been mentioned a couple of times today. The global copper inventory has seen steady declines over the past decade or so. I used to live in Whitehorse when there was Whitehorse Copper. Whitehorse Copper closed down a long time ago. Supplies have been going down, and that means the price goes up from an economic perspective. As well, the number of thefts are going to go up because the price is increasing.

Since November 2006, in fact, the price of copper has generally trended upwards, reaching a peak of \$4.60 in February of 2011. Currently it has come back somewhat. It hovers around \$3.80. Scrap metal salvage yards have been willing to pay anywhere from \$2.60 to \$3.25 per pound of copper pipe and wire. It is these higher salvage yard prices that incentivize the theft of these products at the expense of many Albertans.

The Calgary Police Service has commented on this. Based on a comparison of the first weeks of September 2010 and September 2011 there was a notable increase in copper transactions of 61 per cent. In just one year the dollar figure yield from copper transactions jumped from \$64,000 to \$94,000. It should be noted, Mr. Speaker, that these numbers reflect overall copper transactions, not incidents of metal theft.

Having said that, the Calgary Police Service logged some interesting numbers with respect to theft. During the first 10 months of 2011 alone estimates reveal that \$645,000 worth of copper was stolen in Calgary, and the damages were approximately \$88,000. In Edmonton between January and November 2011 the reported value of stolen copper reached nearly a million dollars, with an additional \$95,000 in damages. That's not chump change, Mr. Speaker, and we need to do something about it.

Historically construction sites of various kinds are on the hit list for scrap metal dealers. In particular, sites that are not secured after hours such as LRT extensions as well as manufacturing yards and plants are common targets. Some of my clients in my former life were indeed some of these target individuals. High-rise projects, new substations, and oil field sites are also impacted as well as fenced compounds such as existing substations, equipment storage locations, trucking yards, and salvage yards. As many of you know first-hand, the overhead costs of construction and business in general are hard enough on a company's bottom line. Add to that the unforeseen and unrecoverable costs of theft and, in this case, theft of material of increasing value, and it's apparent that chronic theft is negatively affecting many Albertans.

To further highlight the severity of this issue, I'd like to mention a couple of instances of recent thefts. Earlier this month, Mr. Speaker, Calgary police seized, amongst other things, about 90 kilograms of copper wire. This wire is believed to have been stolen from a telecommunications provider. In total more than \$100,000 worth of stolen goods were recovered. In another case a farmer stumbled across a pickup truck and a trailer in a field in Edmonton's northeast loaded with 20 spools of copper wire. Another 10 spools were discovered nearby, bringing the total value of the copper wire stolen to \$300,000. This just happened in August. In December 2010 \$7,500 worth of copper wire was found at a residence in the Calgary area.

I could go on and on and on with other examples. Those are the ones that I picked. Constables are convinced that the increasing amount of theft reflects the value of the materials. In all of these cases, members of the local police service observed that copper theft has occurred at construction sites throughout both cities and in surrounding rural areas, and the incidence of that is increasing.

#### 4:40

There are countless other stories, Mr. Speaker. I think that there is sufficient evidence to encourage this House to take a hard look at the legislation surrounding scrap metal or, rather, the lack thereof. I invite my colleagues to examine this bill carefully and consider the ways in which it will help Albertans from being victimized by such crimes.

Thank you, Mr. Speaker.

# The Deputy Speaker: Thank you, hon. member.

I'll recognize the Member for Edmonton-Riverview, followed by the Member for Calgary-South East.

**Mr. Young:** Thank you, Mr. Speaker. It is a pleasure to rise here today and debate Bill 201, the Scrap Metal Dealers and Recyclers Identification Act, which is being brought forward by the hon.

Member for Strathcona-Sherwood Park. The intent of this bill is to deter metal theft in our province. Is this a magic bullet? No. But it is a key piece of the larger prevention and enforcement effort in this province.

We are far from being the leaders here. Calgary bylaws, the province of B.C., and many more jurisdictions have led to displacement of these transactions to areas without legislation. The success of this bill would be achieved by setting out specific restrictions and responsibilities for those who deal and recycle scrap metal. As well, the legislation would determine what materials should be included in the definition of scrap metal.

Mr. Speaker, over the past decade global copper supplies have been dwindling, which has resulted in an inflated copper price. There are only two ways to get copper, you either mine it or you recycle it. Prices have even reached historical highs of \$4.60 per pound and currently hover around \$3.80. This has led to a corresponding rise in the number of copper and metal thefts. In fact, the increased value of scrap metal contributes to the willingness of scrap metal salvage yards paying prices as high as \$2.60 to \$3.25 a pound. Overall, Bill 201 has the potential to minimize the economic and social costs associated with scrap metal theft by advancing accountability through these regulations.

I had the experience of investigating a metal theft myself, where a gentleman at about 2 in the morning walked down the transit tunnel of Edmonton Transit. The trains are shut down at that time. On video we see him walking down with some big cable cutters. What he did was he cut the grounding wire. Now, what it is is a big, braided, about one-inch line of copper wire. You see him come back about an hour later in the surveillance video with this over his shoulder – and it's heavy because he is climbing out – and he climbed over the wall. We later found that same grounding wire at a recycling place across the street from where he came out.

In fact, speaking with the transit guys, there are a couple of key things that were a big risk. Without that grounding wire, the train believes another train is coming the other way, so they have to slam on the brakes, putting everybody at risk. Also talking to the Edmonton Transit guys, the best way to get the grounding wire to replace and repair these lines is from the scrapyard because they can get it from the people that stole it. It's a full circle of theft and repair from the same small group of people.

Mr. Speaker, the government of Alberta is committed to ensuring that all Albertans are able to live in a safe and vibrant community, and scrap metal theft puts that at risk. To achieve this, we must continue to support our law enforcement and crime prevention efforts.

Another incident. I pulled over a truck at about 2 in the morning. The back of the truck was lined with copper waterlines. Basically, searching the vehicle, I found out there were candles all over the place and all these long, copper-cutting snipes. The guys were obviously in some building, and they had a perfect measurement of how long the length of the truck box was, and they had this little cart made. So they were stealing copper, they were trucking it back into their truck, and it laid flat in their truck box. Now, if we follow through with what would have happened if we hadn't stopped them, they would have just gone to a recycling place, dropped off all this copper piping, and walked away with cash.

I did a little renovation on my own bathroom and had a bunch of old copper. When I was looking into this, I went to the local scrap metal yard. So I walk in. I thought: well, instead of throwing it in the garbage, I'm going to take it to scrap metal. I walked over to the yard and, surprise, of course they didn't ask for any identification. They weighed the stuff, and I walked away with

\$280 in cash. I couldn't believe it on that small amount, and the transaction was so quick.

Later I was doing another investigation of a large organization, where the gentleman at the business would actually take their product. He would cut this brand new product off the wire. Then he would drive his company truck to the scrap metal place, get about \$200 worth of cash, and then he would go to the casino which was down the road and gamble it. This was almost a daily occurrence.

Going to the scrap metal dealers, there was a varying range of data and information they kept. It always struck me that these transactions are not only internal thefts, putting people's lives and infrastructure at risk, but they have no transaction. In fact, if you go to a gas station and pay for your gas, you have a transaction. There's a transaction record that is accessible. Well, there was no transaction record. There's a huge opportunity for these organizations, these recyclers to do the wilful blindness of, "I don't know where it came from," so I think it clearly sets expectations and accountability for them as well.

Specifically in regard to law enforcement we need to assist them in putting a stop to the scrap metal through this. Accountability is what does it – okay? – and information. The hon. Member for Edmonton-Centre does the recycling of her father's material. Is her information going to be provided? Yes. So is a whole bunch of other people's, but that's not criminal. There's no reason to look beyond that. It's simply a transaction record. It isn't initiating any kind of investigation or anything else like that. It just holds people accountable.

Primary selling and off-loading of scrap metal is relatively easy. These types of stolen goods are extremely difficult to confirm as stolen due to their lack of identifying features. When you get your car stolen, it has a VIN. It has a licence plate, a make, model, colour. But copper is basically a commodity that gets thrown into a bin and cut up, and you can't identify where it comes from.

You laugh that somebody tried to recycle a telephone booth, and other jurisdictions report that manhole covers and light standards are being recycled. We laugh at those, but there are some serious infrastructure and metal that are being recycled as well that have identifying marks that just get cut up and thrown into the bin.

Businesses that choose to purchase metals of questionable origin are under no obligation to assist police in their investigations and sometimes refuse to co-operate at all. In cases where a warrant is necessary, businesses have more than enough time to purge the inventory and destroy the suspicious evidence and documentation by the time the warrant is obtained. The transaction cycle of this is very quick.

The Alberta Association of Chiefs of Police strongly hoped that Bill 201 would include police inspection powers without the need for a court order or reliance on permission from the dealer recycler. Unfortunately, the current legislation, Bill 201, doesn't require permission from the dealer to inspect their premises, records, and inventory.

[Mrs. Sarich in the chair]

That bill also doesn't require dealers to provide ongoing, sameday reporting through electronic means or otherwise to police on all transactions, which the police association also requested and I feel is important. If you want to have a real-time response to incidents, you need to have real-time data.

It does insist, however, that dealers who have reasonable grounds to believe that purchased material is stolen property make an immediate report to the police. This doesn't go quite far enough, but it does advance the accountability for the dealer and the problems with metal recycling. Currently scrap metal dealers are not required to obtain photographic identification from anyone who exchanges scrap metal or, from my experience in looking into this, any identification. For some a name and signature is satisfactory. Not surprisingly, one might suspect that John Doe has recycled a lot of copper in the province of Alberta.

During the consultation phase of this bill some have suggested that the following information be collected: a photocopy of the driver's licence, the licence plate number and description of any vehicle in which said property is delivered, and the seller's stated source of the scrap metal. Others indicated that that isn't in the spirit of Alberta's Privacy Commissioner or the spirit of this bill, which is to give law enforcement authorities enough information to operate effectively. Interestingly, in the city of Edmonton they've got a pawn bylaw.

Thank you, Madam Speaker. I conclude.

4.5

**The Acting Speaker:** The chair will now recognize the Member for Strathcona-Sherwood Park to end debate.

**Mr. Quest:** Thank you, Madam Speaker, and thank you to all the hon. members who have spoken this afternoon to this bill. As discussed, the goal of Bill 201 is to crack down on scrap metal theft. Research and consultations and analysis all indicate that this bill would accomplish that goal by making it hard to sell illegally obtained scrap metal and easier to track illegal metals when they are sold.

[The Deputy Speaker in the chair]

These are consultations, Mr. Speaker, with law enforcement, the scrap metal dealers' association, and the Privacy Commissioner.

Bill 201 contains a very modest requirement and something that most scrap metal dealers and recyclers already do, which is record and identify the sellers of the scrap metal. ID could also include the government-issued ID for homeless people, and this is currently done through homeless shelters, using the homeless shelter's address. Mr. Speaker, Bill 201 would increase our safety and security and help deter crime. This piece of legislation is the most appropriate means at our disposal of mitigating the increasing occurrence of metal thefts across our province that we've been talking about this afternoon because there's no point in stealing it if you can't sell it.

Mr. Speaker, I value, respect, and thank all of my colleagues for their comments regarding this bill this afternoon and would urge all hon, members to vote in favour and support Bill 201.

Thank you, Mr. Speaker.

The Deputy Speaker: Thank you, hon. member.

The hon. Member for Strathcona-Sherwood Park has moved second reading of Bill 201, the Scrap Metal Dealers and Recyclers Identification Act.

[Motion carried; Bill 201 read a second time]

**Mr. Hancock:** Mr. Speaker, given the nature of the clock I would move that we now call it 5 o'clock and move to Motions.

[Motion carried]

#### **Motions Other than Government Motions**

**The Deputy Speaker:** The hon. Member for Vermilion-Lloyd-minster.

#### Municipal Support for Resource Road Maintenance

#### 501. Dr. Starke moved:

Be it resolved that the Legislative Assembly urge the government to explore options for providing support to municipalities that experience significant local road deterioration due to heavy industry/resource truck traffic, with the goal of ensuring these roads are adequately maintained and available for all to use.

**Dr. Starke:** Thank you, Mr. Speaker. I am pleased to rise today and open debate on Motion 501. I want to make sure that all members are on the same page for this debate as to the definition and the motion wording as they are important to the discussion. The term "local road" is defined in the commercial vehicle dimension and weight regulation as "a road that is not a primary highway or secondary" highway. In the context of this motion "local road" means a road that is the sole responsibility of a municipality. Furthermore, the motion refers to road deterioration due to heavy industry or resource truck traffic, and that refers to the direct impacts of specific activities; for example, in our area the transportation of heavy oil.

Mr. Speaker, I'm proposing this motion because I believe that transportation is the lifeblood of our province's economy. If you'll forgive me for using a medical term, if transportation is the lifeblood, then, to borrow the phrase, our roadway network is analogous to the arteries and veins, the very circulatory system that allows for the vital flow of commerce throughout the province. There are parts of this province where those vessels need some help.

Motion 501 simply urges government to explore options to support municipalities that experience significant road deterioration due to the ever-increasing burden of heavy vehicle traffic. What exactly does that mean? Well, it means looking at supports, at legislative tools, both existing and future possibilities for further innovation.

Now, I know that many communities bear the cost of hosting heavy industry but lack the local resources to ameliorate the associated wear and tear on their local roadways. That is especially true in my home county, the county of Vermilion River, No. 24. In our county the major industry is heavy oil. The critical thing that you need to know about heavy oil is that it can't be transported by pipeline. Heavy oil is extracted to the surface by various ingenious methods and then stored in tanks. Large tanker trucks then collect and transport this product to batteries for further processing.

This creates an interesting situation. The resource, the heavy oil, is an asset owned by the people of Alberta. Royalty revenue in the hundreds of millions of dollars every year flows as income to the provincial treasury. But the accompanying cost, the wear and tear, the deterioration of our roadways: that is borne by the municipalities. In the county of Vermilion River those roads are our pipelines, but unlike pipelines in other parts of the province, where actually there's an earning to the municipality of linear assessment revenue, our pipelines, our roads generate expense, not income.

Let me give you some statistics from our county to illustrate this. In 2011 public works expenses constituted some 56 per cent of our county's annual expenditures. On a per capita basis our public works costs are 75 per cent higher than the median for counties across the province. The county of Vermilion River has a huge roadway network. Our county has 3,800 kilometres of roadways, half of which are used by heavy oil traffic. Our county estimates that the costs of maintaining those roadways, the ones

that are used by heavy oil truck traffic, run 8 to 10 times that of what we might term a regular roadway. Now, the county of Vermilion River's equalized assessment is roughly in the middle if you rank all of Alberta's rural municipalities, but because of our huge roadway network our equalized assessment per kilometre of roadway is the lowest by far among counties across the province.

Now, many of my colleagues in the Assembly have served in municipal government. You know that the sources of funding for municipalities are limited. You have property taxes, you have fees and charges, and you have government grants. Expressed as a percentage of total revenue, our county, the county of Vermilion River, has the highest rates of income from fees and charges of any county in the province; 37 per cent of county income comes from fees and charges thanks in large part to a very successful county-owned gas utility. Less than 6 per cent comes from government grants. Most of the remaining 57 per cent comes from taxes. In short, on the revenue side of the statement our county is heavily reliant on utility income, fees, and charges and receives comparatively little in government grants.

Now, it's not that our county hasn't done its homework. Our county administration applies for and maxes out on virtually every available grant related to roadway maintenance. The resource road program, the basic municipal transportation grant, and MSI funding are all utilized at a maximum level, but the net result is that only a fraction of the needed roadway maintenance is funded through these initiatives. So what we have in the county of Vermilion River and, I suspect, in other parts of Alberta is a mismatch. Our rural roadway system generates significant costs for the rural municipality. Existing programs, while helpful, simply do not provide sufficient resources for counties that have a large roadway network.

Mr. Speaker, that is what this motion addresses. It urges the government to look again at the programs it has in place and to work together with rural municipal councils to come up with solutions that will improve the flow of commerce throughout our province. That is what responsible, sustainable resource development and environmental stewardship are all about.

In conclusion, Mr. Speaker, Motion 501 urges the government to explore solutions to the problems that I have identified. In my opinion, Motion 501 would set us on a path to ensure that all local roads impacted by resource and industry truck traffic are adequately maintained. I hope the debate will help inform and increase current efforts to improve the maintenance of local roads.

#### 5:00

While I believe that the government is already doing much to support local municipalities, I also believe that government must never stop looking for new ways to partner with local authorities in helping to deliver services essential to those communities. I believe that government must never stop trying to improve our province every day, so I urge all hon. members to follow this debate with interest and consider fully the advantages of studying potential solutions to this problem.

Thank you, Mr. Speaker.

# The Deputy Speaker: Thank you, hon. member.

Hon. members, Standing Order 29(3)(a) affords 20 minutes to the Premier or the Leader of the Official Opposition. All other members will have 10 minutes and the mover five minutes to close.

I will recognize the Leader of the Official Opposition.

**Ms Smith:** Thank you, Mr. Speaker. I'd like to thank the hon. Member for Vermilion-Lloydminster for putting forward this

motion, and I will speak in favour of it, the notion of exploring options to provide "support to municipalities that experience significant local road deterioration due to heavy industry/resource truck traffic, with the goal of ensuring that these roads are adequately maintained and available for all to use."

As I mentioned, I am sympathetic to the intention of this motion, and I want to speak in favour of finding ways to provide support for municipalities in general and, in particular, to municipalities that are impacted by the consequences of economic growth. After all, Mr. Speaker, having to repair roads that are damaged by truck traffic because of our prosperity is a problem, but in the big scheme of things it's one of those problems that falls into the category of a good problem to have since it is an indication of our prosperity and growth. However, I do think that the motion is somewhat too narrowly constructed, and it does reflect the fundamentally different approach to municipal funding that the members opposite take versus the one that the Wildrose supports.

Let me tell you how I would adjust the thinking around this motion. It would be: how do we find ways to be able to have own-source revenue provided to municipalities to be able to meet this need? I was fortunate before coming here today to speak with the board of the AAMD and C, who have raised the concern with me about a particular tax that they're worried about coming to an end at the end of this year. I had actually expected the Member for Vermilion-Lloydminster to mention this tax because it does seem to go particularly to the point that he is making. What it is is the well-drilling equipment tax regulation, and it's under the auspices of the Minister of Municipal Affairs.

Let me just tell you, though, the story that one of the members shared with me about how difficult it is for them to manage to keep up with the road construction and the road repair caused by the damage of heavy equipment. This one particular council member had told me that at any given time in a given year you will find 50 to 60 vehicles going up and down this particular road, which was originally not designed to have that kind of heavy traffic on it. If you're in an area where there's muskeg, you end up with what is almost like a marshmallow effect, he called it, on the road. They become rutted. There are potholes. They require yearly repairing. He was saying that this one particular road that has this amount of traffic – and we all know how many kilometres of roads there are in municipal districts – takes up one-third of the overall amount of the road budget in this particular municipality.

Beyond that, of course, there is also the impact on bridges. I believe the municipal districts are responsible for something in the order of 8,500 bridges, which, once again, had not been designed for this heavy truck traffic and are all in need of repair and upgrade. In fact, it was shared with me that many of these bridges have now had loads disallowed on them because they are not in a condition to be able to support those loads. In addition, from time to time, when the road condition is particularly bad, they have to reduce the amount of load that a truck is able to carry just so that the roads can manage it.

But, as I say, there is actually, fortunately, a simple fix for the government. They had extended a regulation to expire at the end of this year, December 31, and it is, as I mentioned, the well-drilling equipment tax regulation. What this does is that it actually allows the municipality to levy a tax, with the tax rate set by the Minister of Municipal Affairs through regulation, but the dollars flow through to the municipality, the municipal district, or county on the basis of the number of wells that are actually drilled in their area. There is a relationship between the number of wells drilled and the amount of truck traffic.

Under current legislation a well, if it's shallow, would yield

about \$290 to a municipality per well drilled. It could go up to \$38,000 plus, depending on how deep the well is drilled. In the case of this particular municipal councillor I was speaking with, this is a significant source of revenue for them for their road budget. His municipality alone collects \$7 million to \$8 million out of this tax. In addition to that, there was a survey that the AAMD and C did last year to ask about the extent to which our municipalities are reliant on these revenues. Twenty-six municipalities responded – that's not the entire universe of municipalities who benefit from this tax – and they're generating \$21.7 million from this revenue source.

The concern the AAMD and C has is that, once again, the regulation was supposed to be reviewed this year, with a view to seeing whether it fits with the current technological advancements that have been made in drilling technology. What the municipalities, of course, are finding is that with the invention of horizontal multistage fracking there isn't a provision for how this tax might apply. There isn't a provision for how it might apply to shallow wells. Also, we're seeing increasingly that companies are going back into existing wells, and there isn't an opportunity for them to be able to get the revenues that they would normally be able to get the first time that these wells are drilled.

I think that since the government has not done the review of this regulation this year, it would seem to me that one of the immediate interim fixes, to make sure that we don't end up seeing our municipalities fall short, is to extend this regulation for another year so that we can do a review and so we don't end up finding that we have taken away a source of revenue at the very time when we know that our municipalities are using this for road construction and that they do need it.

I would just put on the radar, then, that this regulation is one that the government needs to take a look at next year, looking at it with a view to modifying the rules to consider shallow wells, to consider as well the impact of horizontal multistage fracking. That's the request that came forward from the AAMD and C. I think it goes directly to the hon. Member for Vermilion-Lloydminster's point, and it clearly is a significant source of revenue for the counties and municipal districts. It also has the advantage of being a level of taxation that flows directly through to the municipality rather than being yet another granting program that pits one community against the other. That's what I like about it.

Let me segue into the approach that we believe would solve these kinds of problems and these kinds of requests permanently. During the most recent election cycle we spoke about a new deal for municipalities that would have three different approaches to it. Number one is that we know that we need better funding for municipalities. We need more dollars to flow through to municipalities, and we have a plan for that, which I'll talk about in a moment. We also need better planning. We need to see a priority list, whether it's for these kinds of infrastructure projects or any of the other many, many demands that we see at the municipal level. Having a priority list that is public with clear criteria for how it is the projects are prioritized is absolutely essential for municipalities to be able to do their own planning.

The third thing, of course, is better governance. We believe that we need to have a new relationship with our municipalities and recognize them as another order of government. The only way you do that is that you respect them as an entity which is able to raise and steward its resources without a lot of interference from the provincial level of government.

In keeping with the spirit of what the Member for Vermilion-Lloydminster has proposed, we think that a better approach and one of the options that we would hope the government would consider when they're looking at options for how we fill this gap is what we have called our 10-10 plan, our community infrastructure transfer. What we had proposed here is rolling a number of different granting programs into a single community infrastructure transfer where 10 per cent of provincial tax revenues would flow through on a formula basis to each municipality, similar to MSI. But we have heard that there are concerns with the MSI formula. The 10 per cent of provincial tax revenues would be based on personal income tax, corporate income tax, fuel taxes, insurance taxes, tobacco tax, and so on. If you identify 10 per cent of provincial tax revenues each and every year that you earmark for municipal purposes and then develop a formula to flow it through, similar to MSI, we believe that this will meet a number of objectives.

#### 5:10

One of the most important objectives it will meet is predictability. One of the concerns that we hear from municipalities and the reason why they're facing such difficulty in managing things like their road budgets and the additional pressure of industrial activity is because they don't know from year to year whether or not the municipal sustainability initiative is going to be spread out for another length of time and ultimately end up seeing them have fewer dollars or whether or not the government is going to keep its commitment year after year to provide that predictable funding. If we create a formula where we're earmarking 10 per cent of our revenues, that provides predictability.

It also provides simplicity. We know that there is a lot of confusion in the grant application process. I've spoken with municipal leaders who tell me that they actually have to hire full-time staff to be able to navigate through the approval process for grant applications. We think that having more of these grants divvied up to the municipalities on the basis of a formula gets at the issue of simplicity as well.

We also know that the level of government that governs best is the level of government that is closest to the people, and having a program like the community infrastructure transfer would meet that goal.

In addition, we believe firmly that municipalities need to have control over their own revenue base rather than having to go begging cap in hand to the province or their MLA every time they have a new need in their community. It's simply not fair to force a municipality to have to petition their MLA to be able to get enough money to be able to pay for basic needs in their community, in this case roads and infrastructure.

It is also not fair to pit one community against another, trying to argue that they deserve a grant more than another community deserves a grant when we know that all of our municipalities have their own source needs at the local level. They're all quite different from each other. We have an infrastructure deficit in every single community across the province, so we need to stop pitting one neighbour against the other.

It's also not fair to have to go through some secret and mystifying process to figure out how you actually get your project moved up the priority list or, if you're on the priority list, the secret and mystifying process that causes you to move down. We think that if you have a community infrastructure transfer based on a percentage of revenue divvied up on the basis of a formula, we would get away from the politics of determining who gets what grants and where.

The other part of our 10-10 plan is, of course, flowing through 10 per cent of provincial surpluses to municipalities. We, of course, are a party that believes it's attainable for us to get back

into budget balance, a real budget balance that includes all of our sources, both capital and operating. We also believe that once we're back into budget balance and back into surplus, every part of our Alberta community needs to be able to benefit from it.

What we've seen in the past is that when the provincial government has racked up huge surpluses, they have not been as good at sharing it with those who are also the ones who are suffering from managing the pressures of growth, the pressures of growth being described in this motion. One of the things that we think we could do is take the approach of also earmarking 10 per cent of provincial surpluses and flowing it through this community infrastructure transfer on the same basis, where you develop a formula and you develop some fairness. So in a given year – let's say that you have a billion-dollar surplus – 10 per cent of that would be \$100 million flowed through to each municipality.

We know \$100 million would go an awfully long way to meeting many of the community needs at the local level. In some communities it would be for seniors' housing. In other communities it would be for recreation centres. I think that in the community of Vermilion-Lloydminster they might decide to use that to be able to repair the roads from heavy truck traffic. Whatever it is that is the concern at the municipal level, this kind of approach allows for municipal leaders to be in the driver's seat, where they get the resources and then are able to target the money to what they believe is the priority for their community.

In conclusion, Mr. Speaker, I think that there are a great many options for us to be able to rebalance the revenues between the municipal level of government and the provincial level of government. I think the most immediate fix would be for us to look at this well-drilling equipment tax regulation to make sure that we don't end up leaving our municipalities short when it expires at the end of this year. But I would hope that we could engage in a broader discussion over the course of the next year or two as we're examining the Municipal Government Act.

Surely, we do want to talk about roles and responsibilities, but you can't talk about roles and responsibilities in the absence of fixing this fiscal imbalance. We believe that we've got a plan, through our 10-10 plan, our community infrastructure transfer, that would ensure that not only do we meet the needs that were identified in the hon. Member for Vermilion-Lloydminster's motion today but that we would also address the various pressure points that we would know every single community ends up experiencing on a year-by-year basis.

With that, Mr. Speaker, I'd be happy to turn it over to the next.

#### The Deputy Speaker: Thank you, hon. leader.

I'll recognize the hon. Member for Fort Saskatchewan-Vegreville.

Ms Fenske: Thank you, Mr. Speaker. It's a pleasure for me to rise today to speak to Motion 501, brought forward by the hon. Member for Vermilion-Lloydminster. The purpose of Motion 501 is to explore options for providing support to municipalities that experience significant local road deterioration due to heavy industry and resource truck traffic. The goal of this motion would be to ensure that such roads are adequately maintained for all to use. As we all know, our province is home to numerous communities that host heavy oil operations. These municipalities see oil support equipment hauled up and down their rural roads. Due to the heavy loads carried by support vehicles, some of these roads appear to be deteriorating faster than expected and require more maintenance.

Municipal roads seem to be impacted in a similar way, though by different industries, and I think we can all agree that both rural and municipal roadways are essential to the successful operation of numerous core sectors in Alberta. These roads are vital arteries connecting support equipment and resources to their destinations. Their deterioration may have a noticeable impact on the efficiency of resource transportation and can represent a cost to municipalities for maintenance.

Mr. Speaker, the motion does not specify a course of action to address this issue. Instead, it simply asks that we explore options. I am certainly open to and welcome the opportunity to explore additional options. I want to highlight a number of programs and grants that are in place to support rural road maintenance as they will hopefully provide you with a snapshot of how these issues are dealt with in the rural network as well as in other municipalities.

The municipal sustainability initiative, or MSI, in particular assists municipalities by allocating a portion of funding to certain municipalities in order to meet the demands of growth. MSI assists low-population, large-area municipalities based on the number of kilometres of local roads. Beyond base funding for municipalities, 48 per cent of additional MSI funding is allocated between municipalities on a per capita basis, 48 per cent is also allocated based on education property tax requisitions, and the remaining 4 per cent is allocated based on the number of kilometres of local roads. Mr. Speaker, this formula is an attempt to assist low-population, low education property tax assessment municipalities with a large area traversed by numerous roads.

In addition to MSI funding, there is the basic municipal transportation grant, or BMTG. BMTG allocations are based solely on a per capita basis for the majority of Alberta municipalities, excluding Edmonton and Calgary. This program was allocated \$321 million for the 2012 budget. Depending on need, different types of municipalities may apply for grants for different purposes. The rural transportation grant exists for smaller communities like counties, municipal districts, Métis settlements, and the special areas.

Another support in place to aid the rehabilitation of resource-heavy transportation routes is the federal gas tax fund. This fund does not directly finance municipalities but is based on a return to the province of a portion of this tax. For example, in the 2012 year almost \$200 million was allocated to Alberta municipalities. Communities such as those located in rural areas and having populations of less than 500,000 can use this allocation to rehabilitate roads and bridges and, in this case, roads that have been damaged due to heavy transportation.

The Municipal Government Act also offers a legislative support for municipalities seeking funding for deteriorating roadways. Under the act a municipal council may pass a special tax bylaw to cover the cost of the repair and maintenance of the roads. This tax must be approved annually. A municipal council may also pass a tax for damage incurred by transporting well drilling equipment.

I would like to thank the hon. Member for Vermilion-Lloydminster for bringing Motion 501 forward as it helps to raise awareness of the burden that small municipalities may face in their role of supporting the growth of our resource-rich economy. I look forward to listening to the rest of the debate.

Thank you.

5:20

The Deputy Speaker: Thank you, hon. member.

I'll recognize the Member for Edmonton-Beverly-Clareview.

**Mr. Bilous:** Thank you, Mr. Speaker. I'm happy to rise and speak on behalf of this motion. This motion for the most part I do support for a variety of reasons. I mean, first and foremost, there is a huge infrastructure debt in this province, from roads and bridges

to schools. You know, I'd love to remind this House that that infrastructure deficit was truly created in the '90s with the slash-and-cut-and-burn style of legislation that passed through, starving hospitals, schools. Our books looked very good. Alberta claimed itself to be debt free. The reality was that they just prolonged that debt or moved those numbers on to the next generation or two generations down. [interjection] That as well.

There is a real need for government to provide supports for municipalities and for school boards as well to deal with these deficits. Municipalities have very few tools at their disposal to raise revenue to pay for many of the services that they offer and that they need. The provincial government does have the MSI, the municipal sustainability initiative. It's been good for some and on some fronts, but more funding is needed. Part of the issue I take is that the formula that is designed by the MSI is one that benefits some municipalities more than others and is more harmful to some than others

The other challenge with the MSI is that the government will only commit to a few years. I know recently the government has committed to three years, and that's considered a long-term plan. Well, municipalities need to plan much further out than three years. Not knowing if you're going to have the dollars to be able to complete a project or to adjust costs because of inflation and wages and all the rest makes it very, very difficult to sit down and have a realistic long-term plan.

One of the revenue sources that municipalities used to have was the well drilling tax on their roads. That's where the trucks are heavy and they take a toll on the infrastructure, on the roads that they're driving. There are issues regarding this that need to be addressed because a lot of the old wells are being used again. They're being reopened, and municipalities aren't getting paid, if I may, a second time for it. So a well that was used a long time ago: they would receive the dollars, through this old system, to help maintain the roads where the machinery and equipment were needed. The well closes down, X number of years later they decide to go back to that well because of technologies that help them extract more from it, so now they're using the roads again. However, they don't receive any new dollars for using those roads again. So the onus now lands squarely on the shoulders of the municipalities.

I should say in addition to that that with horizontal drilling the formula for calculating this tax is kind of out of date, again, because many companies can be quite far away, hundreds of metres away from where they're digging. The use of roads and what strains certain roads actually needs to be looked at even further.

A well drilling tax is a good start for municipalities, but they definitely need more tools at their disposal to ensure that they're able to maintain the infrastructure that they need, especially for the energy traffic and the traffic that's going to be using their roads. I myself and Alberta New Democrats would support this motion if there were mechanisms in place to ensure municipalities have the resources they need to deliver the services that are required. I, too, like the fact that this motion is open to a discussion with all the different political parties, different levels of government, looking at exploring ways to ensure that they have the funds and are able to make the repairs that are needed.

Thank you.

The Deputy Speaker: Thank you, hon. member.

**Mr. Barnes:** Mr. Speaker, I rise today to look at why this motion has merit or, in other words, what our current government is doing so wrong that in a large, prosperous, resource-blessed province

like ours far too many of our provincial roadways are rated only at poor or fair condition, an amazing 42 per cent, if you can believe it. To meet the needs of their communities, our local municipalities and counties have to play political games of favouritism.

In the Wildrose we have a plan, a plan that will deliver stable funding and autonomy to allow municipalities to help meet their local needs. We want each and every municipality in Alberta to have the resources they need to meet the priorities that they set for their communities. This plan is called the community infrastructure transfer, and it has been nicknamed the 10-10 plan. Mr. Speaker, the Wildrose will send 10 per cent of all provincial tax revenues and 10 per cent of all future budget surpluses directly to the municipalities to meet their needs, with no strings attached. This will allow municipalities to, first, decide for themselves what priorities their communities have; second, receive stable funding so all Albertans will receive a fair share of our prosperity; and, third, stop having to petition cabinet and pit legitimate needs and concerns of their community against their neighbour communities who are competing for the same grants.

In the Wildrose we also know there are other things this government could do to ensure that Albertans receive better pricing, better value, and more return for our tax dollars. It is time for the government to get more businesslike and less political with its planning of projects and cost estimates for these projects. One way to make this happen is to answer the Wildrose call for a published, prioritized infrastructure list of all current projects in the planning process. This would allow contractors, companies, and financiers to plan their assets and bids in the most efficient and effective manner, and it would end the current political approach of rushed government announcements to buy votes, eliminating the whimsical transfer of capital and equipment at extra cost to the taxpayer and a resultant loss of quality and quantity of infrastructure and services to all Albertans.

We have all heard what the Fort Macleod broken promise cost the community of Fort Macleod, but I also wonder what the province spent on this, spending taxpayers' money on planning, researching. And don't forget that many municipalities, including Medicine Hat, Camrose, Lac La Biche, and Edmonton, spent tens of thousands of their taxpayer dollars trying to court this project eight years ago.

Maybe the best example to use of how this can cost all taxpayers extra money is the Medicine Hat hospital expansion. First, \$480 million of taxpayer dollars was going to be spent on it, then that was changed to \$280 million, then \$200 million, and finally 10 days ago the government announced that \$220 million of taxpayer dollars will be spent. My first question: are you sure? My second question: wow, how much have those change orders cost the Albertan taxpayer?

This sporadic political planning has certainly hurt the Cypress-Medicine Hat constituency. Highway 61 from Manyberries to Foremost is badly in need of proper shoulders and repaving. We are a commodity-based community, and because this oil play is growing and many large trucks are travelling this road, the safety and durability of this highway are of great concern.

5:30

For 30 years we have seen studies, and we have been waiting for the twinning of highway 3 from Medicine Hat to Taber, to complete the portion that is already twinned from Taber to Lethbridge. Very crucial for my constituency for safety and economic growth.

Mr. Speaker, I could go on and on with countless more examples of how this government's poor planning and shifting priorities have wasted taxpayers' money and caused uncertainty for our municipalities. With this in mind, in a direction for change, I certainly like the motion.

Thank you.

**The Deputy Speaker:** Thank you, hon. member. I'll recognize the Member for Lesser Slave Lake.

**Ms Calahasen:** Thank you, Mr. Speaker. I'm pleased to rise today to speak to Motion 501, the first motion brought forward in the 28th Legislature by the hon. Member for Vermilion-Lloydminster. Good for him.

I want to talk about this because not only do I like the member; I also live in rural Alberta. I have every resource's truck traffic coming through my whole constituency because I have fantastic resources that have to be extracted and taken to the markets, Mr. Speaker. When passed, this motion would urge the government to explore options for providing support to municipalities that experience significant local road deterioration due to heavy industry or resource truck traffic.

I know we have many programs that have provided dollars to our municipalities. As an example, my municipality of Big Lake is receiving \$445,780 for the grading work on range road 172. My MD of Opportunity: \$3 million for base and paving work on phase 8 of C-road. It's still not enough. There is still a huge concern when and where we have huge activity.

I would like to thank my hon. colleague for the work he has put into this motion and also for raising such an important topic. As you know, Mr. Speaker, one of our government's priorities is to invest in families and communities, and I see this one as both. The proposal we're debating here today certainly has our communities in mind and, more specifically, the dozens of smaller municipalities that support Alberta's valued industries on a daily basis.

Mr. Speaker, to provide a bit of background, currently Alberta has three major programs that contribute to the maintenance of resource roads, and we thank our government: the resource road program, otherwise known as RRP, for 2012-2013, \$31 million – that's good, but we still need to push for more – the basic municipal transportation grant, otherwise known as BMTG, in 2012-2013, \$334 million annual funding; and, of course, the municipal sustainability initiative, otherwise known as MSI. While funding for the resource road program is only provided on a one-time application basis, the other two grants are provided to all eligible municipalities to be used for various functions.

As the Member for Vermilion-Lloydminster said, we should never stop looking for solutions or finding new ways for concerns that we have in our communities, and I'm very, very glad that he's brought some suggestions. Just as an example, there exists in Saskatchewan one major program in place to maintain high-traffic roads, the municipal roads for the economy program. This program was established in 2009 through an agreement between the Saskatchewan Ministry of Highways and Infrastructure and the Saskatchewan Association of Rural Municipalities.

Mr. Speaker, the MREP consists of three smaller infrastructure programs: the heavy haul program, the clearing the path program, and the municipal bridge program. The heavy haul and clearing the path programs are probably most comparable to those that we have here in Alberta. Heavy haul is a high-volume program which helps with the cost of construction and maintenance of infrastructure projects that are necessary to support heavy loads associated with industrial hauling. In 2011 13 projects received assistance from this program, at a contribution rate of 50 per cent, totalling nearly \$6 million. Clearing the path is a program designed to help construct and maintain corridors necessary for

industrial transportation. In 2011 the program assisted 17 new construction projects, totalling nearly \$4 million.

In addition, the program seeks to draw trucks off thinmembrane roads and redirect them to less load-sensitive municipal primary-weight gravel roads in order to enable thin-membrane roads to stay in better shape for light vehicle travel. A by-product of this plan is that in participating municipalities more industrial traffic travels on certain designated roads, thereby requiring additional maintenance. As such, this program provides maintenance assistance of a thousand dollars per kilometre per year to eligible municipalities.

Mr. Speaker, I do find this program intriguing as it not only provides maintenance funding to municipalities, but it also seeks to address the underlying causes of road damage, including heavy trucks travelling on thin-membrane roads. I find the programs in Saskatchewan to be different enough from those that we have in Alberta to be worth exploring but similar enough that I don't believe their model would necessarily be an improvement on our existing supports. However, I hope this information provides some food for thought as to the different ways in which industrial road maintenance can be supported by provincial governments.

I would once again like to thank the Member for Vermilion-Lloydminster for bringing this motion forward. I am looking forward to listening to the remainder of the debate and to all members supporting this motion.

Thank you, Mr. Speaker.

**The Deputy Speaker:** Thank you, hon. member. I'll recognize the Member for Livingstone-Macleod.

**Mr. Stier:** Thank you, Mr. Speaker, and good afternoon, everyone. It's a pleasure to speak here again today. First of all, I'd like to applaud the member for recognizing this critical issue and urging the government to finally do something about it. I think it's high time, and I think it should be addressed.

The goal of this motion, I believe, is something that deals with deteriorating roads, as I see it, and ensuring that they're going to be adequately maintained with proper funding but also protecting them from damaging abuse and available in good condition for all to use. Local road deterioration is a serious issue not only for my constituency but to all throughout Alberta as many of them have become a corridor for heavy trucking and suffer from local road deterioration at an advanced rate.

Two of the main causes for this deterioration, I believe, have been identified as extensive legal use of roads by authorized trucks but, unfortunately, also by extensive illegal use of roads by unauthorized trucks and heavy equipment. It is this aspect that I wish to add into this discussion if I may. Municipalities in Livingstone-Macleod and across the province, I'm sure, shouldn't be hit with the bill for unauthorized trucking, nor should they continue to have their taxpayers victimized by these unauthorized uses. Further, they should not have their regular programs and infrastructure plans put on hold simply in order to pay for the upkeep caused by this inappropriate use of roads.

Mr. Speaker, it's a shame that some would abuse the roads they use to operate their business or to transport product and equipment without obtaining proper permits for the weight of their vehicle. In my years as a municipal councillor I can assure you I saw first-hand how municipalities tried to stop these unauthorized uses, and we had to hire an awful lot of professionals and added staff and equipment just to cover these extreme cases. It was always a frustration.

They're not only expensive, but they shouldn't be the sole responsibility of the municipalities. Why should a municipality independently have to spend dollars, that should be going to other

worthwhile causes, on portable scales; enforcement officers; consulting engineers, as I mentioned earlier; maintenance personnel; heavy construction equipment; and road-building materials and upkeep years before the time that it's necessary? Municipalities simply don't currently have these extra resources to deal with these unnecessary issues, and they shouldn't have to spend all that money while continuing to attempt to provide the services their residents deserve.

To conclude, Mr. Speaker, I support this motion. As stated by the Leader of the Opposition, it's high time that the government took a responsible and ethical approach to funding allocations for municipalities and recognized that they should finally get consistent, predictable, stable, and nonpoliticized funding.

Thank you very much.

The Deputy Speaker: Thank you, hon. member.

I'll recognize the Member for Stony Plain, followed by Little Bow.

**Mr. Lemke:** Thank you, Mr. Speaker. The Member for Vermilion-Lloydminster has brought forward debate on a matter that is of interest to many rural municipalities. As we discuss this motion, it is important to note that Alberta Transportation provides grant funds to all Alberta municipalities to assist with their capital infrastructure. In 2012-13 alone Transportation is providing nearly \$935 million for municipal support through a number of capital grant programs that municipalities can use to maintain their local roads.

5:40

The Alberta municipal infrastructure program, announced in 2005, is a \$3 billion program to provide funding to Alberta's urban and rural municipalities for capital infrastructure projects. Eligible projects include roads, bridges, public transit vehicles and facilities, water and waste-water systems and facilities, storm drainage systems and facilities, and emergency service vehicles and facilities.

The basic municipal transportation grant, another Alberta Transportation funding program, is providing \$334 million in 2012-13 as part of an annual funding commitment to all of Alberta's urban and rural municipalities for road and transit capital purposes.

Alberta Transportation also provides project-specific grants under the strategic transportation initiative program and the local bridge program because the government understands that an effective transportation network is key to achieving the strategic objectives of building better communities and facilitating economic growth. Part of the strategic transportation initiative program includes a section related to resource roads because the ability to move goods and people safely and efficiently contributes to Alberta's prosperity and quality of life.

The resource road component of the strategic transportation initiative program provides funding assistance to local municipal road authorities for the movement of goods and people associated with new or expanded value-added processing facilities, resource and other industries, intensified farming operations, or high-throughput elevators. The resource road program provides cost-shared funding on a 50-50 basis between the province and the municipality up to a maximum provincial contribution of \$3 million per project. For 2012-13 the proposed funding for this component is \$31 million. Municipalities are eligible to receive funding for one project every two years and are encouraged to acquire a contribution of 25 per cent of the required funding from the private sector to offset the municipal contribution portion.

The 12 approved projects for 2012 are the county of Grande Prairie for \$4.5 million; the county of Mountain View, \$2.7 million; the county of Northern Lights, \$4.5 million; the county of Northern Sunrise, \$3 million; the county of Saddle Hills, \$3 million; the county of St. Paul, \$3 million; the county of Stettler, \$1.7 million; the county of Thorhild, \$2.3 million; the county of Westlock, \$896,000; the municipal district of Big Lakes, \$440,000; the municipal district of Opportunity, \$3 million; the municipal district of Wainwright, \$2.3 million.

Mr. Speaker, this is how the \$31 million is being invested in 2012 to support their own municipalities and their resource roads, all with the goal of providing safe and efficient roads for Albertans to travel regardless of whether they are driving to their child's hockey game or dance recital or moving a load of grain or cattle, forest products, or energy products to market.

Also a part of the strategic transportation initiative program is the local municipal initiatives component, a project-based grant with an emphasis on supporting road and other growth pressures that are beyond the normal financial abilities of a municipality. For 2012-13 funding is \$26.1 million. Over and above that, all municipalities receive financial assistance through the federal gas tax fund, administrated in our province by Alberta Transportation, which provides nearly \$200 million in 2012-13 to municipalities across the province. Road and bridge rehabilitation are eligible projects under the federal gas fund.

While this list is already long in the government of Alberta's support for rural, municipal roads and infrastructure, there is yet another program, joint-administered by the federal and provincial governments, that supports municipal needs. The Canada-Alberta municipal road infrastructure grant was a cost-shared grant, with the federal government, provincial government, and municipal government each contributing one-third of the cost for eligible projects. While applications for this fund are closed, a total of \$321 million has been committed for projects to be completed by March 31, 2013. This program allowed for new construction, expansion, or renewal of municipality infrastructure, including specialized transit, water, waste water, solid waste, environmental energy improvements, recreation, cultural, tourism, and connectivity projects, local roads, and bridges.

I look forward to continuing debate on this matter, and I congratulate the Member for Vermilion-Lloydminster. Thank you.

# The Deputy Speaker: Thank you, hon. member.

I'll recognize the next speaker, but I'll just warn you that we have three minutes allotted in the time frame. The Member for Little Bow.

**Mr. Donovan:** Thank you, Mr. Speaker. This'll be one opportunity when I get to talk for my whole allotted time, then.

I'd like to commend the Member for Vermilion-Lloydminster for raising Motion 501. In my past experiences on county council in Vulcan for 16 years, this was a key thing, where we had problems in funding. To remind everybody, it's not always just oil, which we have an abundance of in my riding also, which takes in four municipalities and counties. We're also moving gravel and oil and cattle and everything else that is key and crucial in and out of our ridings, gravel being one of them. In our particular county when I was the reeve there, there was a lot of gravel being taken out as a resource into different ridings because they didn't have gravel, which also beat up local roads.

Back in the old days – and I'm starting to age myself – and for some people in here who were also on municipal councils, they had the MAG grant, which is the municipal assistance grant. We always found it much easier to operate with than MSI because with MSI you always had to go back and have it be approved by the government, what you were doing. We found the MAG grant was a little easier to be able to roll out for our own needs.

The Member for Highwood brought up having to get a grant specialist. That was in our county. There were so many different little loopholes and things to go through to get grants to be able to fund what we needed in our county that we'd actually end up hiring somebody because there were so many different things we needed to go through to get that done. This, too, I guess, is an issue that I find problems with.

In September my colleague across the floor there, the Associate Minister of Finance, asked for a list of things that we needed in our riding. The second one I put on my list was a large bridge in a rural area that's on a gravel road. That's the old-school bridges that are covered over. This, too, would be another spot where I think this would be a great thing for this government to identify, the bridges and the roads that maintain the integrity of our rural ridings. I think this definitely ties to rural ridings more so than urban in just my own personal experience because of all the infrastructure we have laid out and the money it costs to go back on it. So I do appreciate it, and I hope that they use the information that we sent for infrastructure and our road ideas when they make a plan.

Again, the hon. Member for Highwood brought up the 10-10 program which our party has brought up. I think it lays out some very good ideas and is something that we could all work together on. Hopefully, this government will take this matter seriously and remember those in our rural communities. Less red tape to MDs and counties so they can make local decisions on local matters I think would be key and crucial.

That pretty well sums it up. I'm in support of the hon. Member for Vermilion-Lloydminster on his motion. I think it shows how we can work together in this House to move forward with some good ideas. With a little bit of tweaking I think there's some progress that this government could make with it and move forward.

With that, I hope I'm under the three-minute mark, and we'll go from there. Thank you, Mr. Speaker.

#### The Deputy Speaker: Thank you, hon. member.

Under Standing Order 8(3) the hon. Member for Vermilion-Lloydminster has five minutes to close the debate.

**Dr. Starke:** Thank you, Mr. Speaker. I'd like to thank all hon. members who decided to speak to this motion. I appreciate the input, and I appreciate the interest as well. Just a few comments that I'd like to make in sort of a nonpartisan way, wrapping this up.

Clearly, we're talking about an effective partnership between the provincial government and municipalities. The hon. Leader of the Opposition spoke to recognizing municipal governments and recognizing them as a level of government that we have to respect. I agree with that 100 per cent. One thing that I have certainly experienced over time is that there is an increasing level of sophistication amongst our municipal governments both at the elected official level as well as at the administration level. We have some very highly skilled and highly dedicated people working in municipal government today from our largest cities to some of our smallest counties, and I think we have to respect that, and we have to respect that expertise.

I'm not going to get into some of the specifics of the proposals that were mentioned by my friends opposite other than to say, as I said in my maiden speech, that I don't really care whose idea it is. If it's a good idea, let's move forward with it, okay?

I do have some concerns with regard to a program that focuses more on how big the pot of money is and not on how that pot of money is going to be divvied up so that it meets the needs.

5:50

Specifically with regard to what the hon. Leader of the Opposition said with regard to the well drilling equipment tax, I'm well aware of that program, and in fact that program does need to be extended. I have spoken with the Minister of Municipal Affairs specifically with regard to that. And you're right. It's great because it provides a locally administered source of revenue to the municipality.

The problem in our constituency, again, is that when we looked at that, because of some of the technology that's out there, the number of wells producing a product and the amount of truck traffic are not necessarily proportional. We have to come up with ways that equate or at least align the traffic that is generated and the weight of that traffic and the deterioration to the roadways it creates.

Another thing that came up during the course of the debate made it sound like there's been significant mismanagement or that there've been a lot of problems going on. I'm not saying everything has been perfect. My hon. colleague the Member for Lesser Slave Lake made reference to some of the Saskatchewan programs. I will tell you one thing from living in a border community. If you think things are bad here, you should look at the roads in Saskatchewan. We have a big set of border markers in Lloydminster, but you really don't need them because you know darn well when you're crossing the border. You just have to look at the quality of the pavement. It's the same on the rural roads as well.

That said, though, I don't think that that gives us any reason or any justification for resting on our laurels. I do think we have to move forward, and I do think we have to explore ways that we can do a better job of supporting our municipalities in some of the crucial infrastructure maintenance that they are charged with doing while at the same time being significantly hamstrung in the ways they can generate the revenue they need to do those programs. That, in fact, has been one of the challenges for municipal government. Many of you come from a municipal government background. My background in municipal government goes back, unfortunately, some 25 years. A lot has changed since that time, but I do think that it's important that we move forward.

I appreciate the input. I do hope that in carrying this motion forward, all hon members will look and contribute ideas, as they have during the course of the debate. I would ask for your support of the motion.

Thank you, Mr. Speaker.

The Deputy Speaker: Thank you, hon. member.

[Motion Other than Government Motion 501 carried]

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

**Mr. Hancock:** Thank you, Mr. Speaker. In light of that very wonderful discussion we've just had and the hour, I move that we adjourn until 7:30.

[Motion carried; the Assembly adjourned at 5:53 p.m.]

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