



Province of Alberta

The 28th Legislature
First Session

Alberta Hansard

Wednesday afternoon, October 31, 2012

Issue 12a

The Honourable Gene Zwozdesky, Speaker

Legislative Assembly of Alberta
The 28th Legislature

First Session

Zwozdesky, Hon. Gene, Edmonton-Mill Creek (PC), Speaker
Rogers, George, Leduc-Beaumont (PC), Deputy Speaker and Chair of Committees
Jablonski, Mary Anne, Red Deer-North (PC), Deputy Chair of Committees

Allen, Mike, Fort McMurray-Wood Buffalo (PC)	Khan, Hon. Stephen, St. Albert (PC)
Amery, Moe, Calgary-East (PC)	Klimchuk, Hon. Heather, Edmonton-Glenora (PC)
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Anglin, Joe, Rimbey-Rocky Mountain House-Sundre (W)	Lemke, Ken, Stony Plain (PC)
Barnes, Drew, Cypress-Medicine Hat (W)	Leskiw, Genia, Bonnyville-Cold Lake (PC)
Bhardwaj, Naresh, Edmonton-Ellerslie (PC)	Luan, Jason, Calgary-Hawkwood (PC)
Bhullar, Hon. Manmeet Singh, Calgary-Greenway (PC)	Lukaszuk, Hon. Thomas A., Edmonton-Castle Downs (PC)
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Bilous, Deron, Edmonton-Beverly-Clareview (ND)	McAllister, Bruce, Chestermere-Rocky View (W), Official Opposition Deputy Whip
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Calahasen, Pearl, Lesser Slave Lake (PC)	McQueen, Hon. Diana, Drayton Valley-Devon (PC)
Campbell, Hon. Robin, West Yellowhead (PC), Deputy Government House Leader	Notley, Rachel, Edmonton-Strathcona (ND), New Democrat Opposition House Leader
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Casey, Ron, Banff-Cochrane (PC)	Olesen, Cathy, Sherwood Park (PC)
Cusanelli, Hon. Christine, Calgary-Currie (PC)	Olson, Hon. Verlyn, QC, Wetaskiwin-Camrose (PC)
Dallas, Hon. Cal, Red Deer-South (PC)	Pastoor, Bridget Brennan, Lethbridge-East (PC)
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Denis, Hon. Jonathan, QC, Calgary-Acadia (PC), Deputy Government House Leader	Quadri, Sohail, Edmonton-Mill Woods (PC)
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Fenske, Jacquie, Fort Saskatchewan-Vegreville (PC)	Sarich, Janice, Edmonton-Decore (PC)
Forsyth, Heather, Calgary-Fish Creek (W)	Saskiw, Shayne, Lac La Biche-St. Paul-Two Hills (W), Official Opposition Deputy House Leader
Fox, Rodney M., Lacombe-Ponoka (W)	Scott, Hon. Donald, QC, Fort McMurray-Conklin (PC)
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Hale, Jason W., Strathmore-Brooks (W)	Strankman, Rick, Drumheller-Stettler (W)
Hancock, Hon. Dave, QC, Edmonton-Whitemud (PC), Government House Leader	Swann, Dr. David, Calgary-Mountain View (AL)
Hehr, Kent, Calgary-Buffalo (AL)	Towle, Kerry, Innisfail-Sylvan Lake (W), Official Opposition Whip
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Horner, Hon. Doug, Spruce Grove-St. Albert (PC)	Weadick, Hon. Greg, Lethbridge-West (PC)
Hughes, Hon. Ken, Calgary-West (PC)	Webber, Len, Calgary-Foothills (PC)
Jansen, Sandra, Calgary-North West (PC)	Wilson, Jeff, Calgary-Shaw (W)
Jeneroux, Matt, Edmonton-South West (PC)	Woo-Paw, Hon. Teresa, Calgary-Northern Hills (PC)
Johnson, Hon. Jeff, Athabasca-Sturgeon-Redwater (PC)	Xiao, David H., Edmonton-McClung (PC)
Johnson, Linda, Calgary-Glenmore (PC)	Young, Steve, Edmonton-Riverview (PC), Government Whip
Kang, Darshan S., Calgary-McCall (AL), Liberal Opposition Whip	
Kennedy-Glans, Donna, Calgary-Varsity (PC)	

Party standings:

Progressive Conservative: 61

Wildrose: 17

Alberta Liberal: 5

New Democrat: 4

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Shannon Dean, Senior Parliamentary Counsel/Director of House Services	Brian G. Hodgson, Sergeant-at-Arms	Liz Sim, Managing Editor of <i>Alberta Hansard</i>

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Frank Oberle	Associate Minister of Services for Persons with Disabilities
Verlyn Olson	Minister of Agriculture and Rural Development
Dave Rodney	Associate Minister of Wellness
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George VanderBurg	Associate Minister of Seniors
Greg Weadick	Associate Minister of Municipal Affairs
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Bhardwaj	Quadri
Blakeman	Quest
Donovan	Rogers
Dorward	Sandhu
Eggen	Sherman
Fenske	Smith
Goudreau	Starke
Hehr	Strankman
Jansen	Towle
Luan	Young
McDonald	Vacant
Olesen	

Standing Committee on the Alberta Heritage Savings Trust Fund

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Deputy Chair: Mrs. Jablonski

Anderson
Casey
Dorward
Eggen
Kubinec
Sandhu
Sherman

Select Special Conflicts of Interest Act Review Committee

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

Standing Committee on Families and Communities

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

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Rogers
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Special Standing Committee on Members' Services

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Calahasen
Dorward
Forsyth
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Jablonski
Mason
Quest
Sherman
Smith

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

Standing Committee on Privileges and Elections, Standing Orders and Printing

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Bhardwaj	Notley
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Hehr	Sandhu
Jansen	Saskiw
Jeneroux	Towle
Johnson, L.	Xiao
Kennedy-Glans	Young
Kubinec	

Standing Committee on Public Accounts

Chair: Mr. Anderson
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Amery	Hehr
Anglin	Kang
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Fenske	Stier
Fraser	Webber
Fritz	

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Barnes	Kubinec
Bilous	Lemke
Blakeman	Leskiw
Brown	Sandhu
Calahasen	Stier
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Casey	Xiao
Fenske	Young
Fraser	Vacant
Hale	

Legislative Assembly of Alberta

1:30 p.m.

Wednesday, October 31, 2012

[The Speaker in the chair]

Prayers

The Speaker: Let us pray. Dear God, let us be reminded of the unique privilege we have been given to work for the betterment of our constituents. Let us also be mindful that there may be places in the world where that privilege does not exist. Amen.

Please be seated.

Introduction of Guests

The Speaker: Hon. members, it is indeed a great pleasure for me to introduce to all of you in the Assembly today members of the Daughters Day Committee who are seated in the Speaker's gallery. Established in mid-2011, Daughters Day is the initiative of a group of volunteer individuals and more than 40 diverse community organizations who are all dedicated to celebrating the lives, the contributions, and the achievements of all daughters in our society.

I will ask the following individuals to rise as I call their names and to remain standing until all have been introduced, and then we can greet them all very warmly as one: chairperson and former citizenship judge Gurcharan Singh Bhatia; vice-chairperson and former economist with the Alberta government Charan Khehra; Ratna Basappa, Indo-Canadian Women's Association; Sonia Bitar, former citizenship judge; Satya Das, principal at Cambridge Strategies; Jim Gurnett, who is a former MLA and executive director of the Mennonite Centre and is technically a visitor with us – welcome, Jim – Dr. Zohra Husaini, Indo-Canadian Women's Association; Trina Joshi, a journalist; Paula Kirman, a freelance writer, photographer, and musician; Poushali Mitra, a worker in the human services sector; Christina Nsaliwa, Edmonton Immigrant Services Association; Didar Singh Pannu, former superintendent of schools; Shaykh Sheikh, religious minister for the Muslim community; and Miriam Thomas, president of the Indo-Canadian Women's Association. Hon. members, let's welcome and thank them all.

The Speaker: The hon. Premier.

Ms Redford: Well, thank you, Mr. Speaker. It's an honour for me to stand today to introduce to you and through you to all members of this House a member of my staff and a very good friend. Her name is Shelley Draper-Wilson. Shelley Draper-Wilson started in the public service over 20 years ago, when she was 18 years of age, in the department of agriculture. She had the benefit and, I would say, privilege of working for five ministers of government – the hon. Ernie Isley, Walter Paszkowski, Gary Mar, Ron Liepert, and Lloyd Snelgrove – before she moved to the Premier's office and worked there in both Premier Stelmach's office and in my office.

I think many people in this building who've had the opportunity to work with Shelley will know how fondly we think of her, how she has treated everyone in this building with respect. Shelley will be leaving our office today to work now in the office of the Public Service Commissioner with respect to public service reform.

Shelley is originally from Edmonton. Her husband, John Wilson, I'm sure will be pleased to have her able to keep regular

office hours, as will her two daughters, Jillian and Erin, who she'll be going to Disneyland with next week.

Shelley, thank you for everything from all of us, and we wish you well.

The Speaker: The hon. Minister of Culture.

Mrs. Klimchuk: Thank you, Mr. Speaker. It's my distinct pleasure to introduce to you and through you to the members of this Assembly a group of great young kids who are visiting the Legislature from Coralwood academy, who are here with their supervisors, Mr. Mike Willing, Pastor Allan Perez, and Mrs. Marian Rochford. I would ask that they all rise and receive the warm and, hopefully, not frightening welcome of this Assembly.

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

Mr. Bhardwaj: Thank you very much, Mr. Speaker. It's an honour for me to rise today and introduce to you and through you a school from my constituency of Edmonton-Ellerslie, Meyokumin elementary school. They are here with their teacher, Dr. Pike. Over the years I've had the opportunity to visit his class numerous times, and I've always found his students extremely engaged on current events and on all political issues. They're joined here today by teacher assistant Mr. Musabimana. At this time I'd ask all of my students and teachers to please rise and receive the traditional warm welcome of the Assembly.

The Speaker: The hon. Minister of Human Services.

Mr. Hancock: Thank you, Mr. Speaker. It gives me great pleasure today to introduce to you and through you to the members of the Assembly a great friend and constituent in Edmonton-Whitemud, Mr. Gus Ahmad. Accompanying him is his grandson Samir. Samir is a Facebook friend of mine. Gus is a huge supporter of his community and volunteers his time on many initiatives at all three levels of government. He's provided a leadership role in the Pakistani, Muslim, and ethnic communities in Edmonton for over 35 years. He served on the U of A senate, the Faculty of Arts development council, the Edmonton Community Services Advisory Board, and the Family and Community Support Services Association of Alberta, and, I can assure you, many, many other things to help build our community and our province. Samir attends Avalon school. He's here today to learn about the process of government. I've witnessed Samir grow from a baby to the marvellous school student that he is today. Because of the role model of his grandfather, Samir is also starting to undertake volunteer initiatives. As a matter of fact, he volunteered on my campaign. I'd ask that they please rise and receive the traditional warm welcome of this Assembly.

The Speaker: The hon. Member for Innisfail-Sylvan Lake.

Mrs. Towle: Thank you, Mr. Speaker. I would like to introduce to you and through you to the members of this Assembly Annie and Karen Boychuk. Annie is a constituent of the Innisfail-Sylvan Lake riding, and she has travelled here to seek some answers from this government after the tragic passing of her husband this summer. Karen Boychuk is Brent's mother and a new resident of Sylvan Lake since her son Brent Boychuk's death. Our province is home to the best doctors and health care workers in this country. When it comes to accessing them, our system falls woefully short, something that the Boychuk family can attest to. I'll ask that Annie and Karen please stand and accept the traditional warm welcome of this Assembly.

Mr. Khan: Mr. Speaker, I am pleased to rise to introduce to you and through you to all members of this House seven members of the Council of Alberta University Students, also known as CAUS. The students have met with several of my colleagues and have been very helpful in bringing to light the issues facing postsecondary students today. I've had the opportunity to spend some time with this group and work with this group, and I assure you that they're not afraid of asking very hard questions. They're also not afraid of working towards constructive and collaborative solutions as well. It's my honour to work with this group. I learn something from this group every time I have the opportunity to meet with them and to work with them, and I'm grateful to work with this group. As it's Halloween, it would appear that they have come dressed as the aspiring politicians that they are, and I thank them for that. [interjection] Thank you, Rachel. We channel that.

They're seated today in the front row of the members' gallery. I would like to ask that they rise as I call their names and acknowledge them, and I would ask my colleagues today to give them the traditional warm welcome of the House: Raphael Jacob, Petros Kusmu, Colten Yamagishi, Hardave Birk, Armin Escher, Julia Adolf, and Duncan Wojtaszek.

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

Mrs. Sarich: Thank you, Mr. Speaker. It is indeed a great pleasure for me to rise today to introduce to you and through you to all members of the Assembly nine guests from Dawson Motors Ltd., which is a long-standing, successful Edmonton-based company located in the constituency of Edmonton-Decore. Dawson Motors Ltd. is a multigenerational, family-owned and -operated auto repair business celebrating 80 years of providing prompt professional service to our communities. The Dawson family has built a business that's provided a living for three generations of Dawsons and all their employees.

1:40

Seated in the public gallery today are the family members and guests, and I would ask that they please rise as I mention their names. We have this afternoon Mr. Ken Dawson, president and son of the founding patriarch, Julius Dawson; Mrs. Margaret Dawson, Ken's wife of 53 years; Mr. Dale Dawson, manager and Ken and Margaret's son; Mrs. Cathy Dawson, Dale's wife; Mrs. Laurie Dawson-Bodner, all the way from Portland, Oregon, who is also Ken and Marg's daughter; Barry Dawson, Ken and Marg's son; Wade Dawson, Ken and Margaret's son; Shirley Dawson, Ken's sister, daughter of Julius and Kate Dawson; and Mr. Ejvind Hansen, a 17-year employee of Dawson Motors, now happily retired.

Thank you.

Mr. Dorward: Mr. Speaker. I would like to introduce to you and through you to my colleagues four young men with apparently the same first name. They're representatives of the Church of Jesus Christ of Latter-Day Saints. There are approximately 380 missionaries serving in Alberta. They give up two years of their lives for this service. They work as volunteers in our community and, of course, share their message. Could I ask Elder Poulton, Elder Adams, Elder Hathaway, and Elder Westem to stand and receive the warm welcome of this Assembly.

The Speaker: The hon. Member for Calgary-Mountain View, followed by the Associate Minister of Seniors.

Dr. Swann: Thank you, Mr. Speaker. It gives me great pleasure to introduce to you and through you to the Legislature two courageous individuals who continue to come back to the Legislature on behalf

of paid farm workers outside of family farms. They're calling for this Legislature to enact legislation that would protect the occupational health and safety, workers' compensation, and child labour standards for those who are not working on family farms. I'd ask Eric Musekamp and Darlene Dunlop to stand and be recognized by the Legislature.

The Speaker: The hon. Associate Minister of Seniors.

Mr. VanderBurg: Well, thank you, Mr. Speaker. It's a great opportunity for me to rise and introduce to you a lifelong friend, the past mayor of Whitecourt, Brady Whittaker. Brady is currently the director of the Alberta Forest Products Association, and he's known as Mr. Wood. Wood first and wood always. [interjections] And he "woodn't" listen lots of times, too. I'd ask him to stand and be recognized in the Assembly.

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

Ms Calahasen: Thank you, Mr. Speaker. It is indeed an honour to introduce to you and through you to members of this Assembly an energetic, visionary businessman who is also a good friend, Felix Schroder. He hails from Wabasca, Alberta, and is the principal of Schroder Oilfield Service. Schroder Oilfield Service has been in operation since 2001 and is located in Wabasca, as we know. The business's focus has been to provide a wide range of energy services, including facility construction and operation, road and lease construction, pipeline repair, labour crews, and welding and pipe-fitting. Prior to this, president Felix Schroder operated Jolam Mechanical for four years, a plumbing business located in Slave Lake but serving Wabasca and other MD of Opportunity hamlets. Felix and his brother Mike, vice-president of the company, have earned a strong, positive reputation in the region given their commitment to providing quality service, hiring locally, and providing support to the community both on and off the reserve. He is seated in the members' gallery, and I'd ask him to stand and receive the traditional warm welcome of this Assembly.

Members' Statements

The Speaker: The hon. Member for Innisfail-Sylvan Lake.

Urgent Care Services in Sylvan Lake

Mrs. Towle: Thank you, Mr. Speaker. It is an honour to rise here today to speak about a tragic event that happened in the Innisfail-Sylvan Lake constituency this summer. Sylvan Lake is not a small town. In fact, it's one of the largest towns in Alberta. It's home to approximately 13,000 people year-round, and that population skyrockets during the summer months. Sylvan Lake has a lot to offer and is blessed in many ways, but this summer, on August 18, what this town is missing became painfully clear. On August 18 Brent Boychuk, a 49-year-old husband and father of four children, was experiencing signs of distress and realized he needed urgent help. Brent asked his daughter, Brianne, to take him to see a doctor at the local walk-in clinic. Upon arrival at that clinic it was closed. So was the second clinic. Sadly, Brent collapsed in the parking lot, and Brianne, his daughter, called for an ambulance and began CPR, trying to save her father's life.

Sylvan Lake, like many communities, no longer has a dedicated ambulance service. However, when paramedics arrived, they diligently tried to save Brent Boychuk. Sadly again, by the time Brent Boychuk arrived at the Red Deer regional hospital, which is a half-hour drive away, he had passed away.

We are thankful to the paramedics. Once again they did an amazing job in a difficult situation. Sylvan Lake has no emergency care facility, no trauma centre, or urgent care. The Boychuks are not asking for much. They are only asking that no other family has to experience what they have gone through.

Mr. Speaker, I'm not standing here to point fingers, to lay blame, or to play politics. I am simply speaking for my constituents the Boychuks, who would like some answers, and for the town of Sylvan Lake, who desperately needs an urgent care centre. We implore the Minister of Health to keep his promise of understanding the needs of Sylvan Lake and to ensure that urgent care for this community is considered in the zone plan. We also urge the Minister of Infrastructure to provide a detailed priority list to show all Albertans that these communities' needs are being addressed.

Whistle-blower Protection

Mr. Bilous: Alberta has finally tabled its whistle-blower legislation, and our concerns and the concerns of experts have been confirmed. The bill is already being referred to as another bureaucratic black hole that will intimidate, complicate, and, ultimately, further silence whistle-blowers who want to do the right thing and protect the public interest.

Mr. Speaker, blowing the whistle is an intimidating process, and any legislation must keep the interests of the whistle-blower at its core. However, this legislation doesn't do that. This bill misses the mark on five essential points which signal that this government doesn't seem to be concerned with the protection of whistle-blowers. It seems more concerned about the protection of the government from whistle-blowers. Strong legislation must allow whistle-blowers to blow the whistle any time, anywhere, and to anyone, including the media. But this law sets up a departmental process ensuring a blown whistle echoes down a never-ending bureaucratic tunnel.

This law offers no protection to private-sector workers or government contractors. This is simply unacceptable in a province that just went through a massive E coli crisis due to unreported food safety issues. This legislation doesn't go far enough to ensure that workers will be protected from harassment and abuse in the workplace. This legislation sets up a secretive tribunal process instead of ensuring an open and transparent one. Lastly, Mr. Speaker, whistle-blower legislation must include details on mandatory corrective measures. Instead, it avoids the issue by referring to possible corrective recommendations.

Mr. Speaker, once again the Alberta PCs have failed to follow through on their promise of being transparent and accountable. Instead, they remain the most secretive government.

Dawson Motors Ltd. 80th Anniversary

Mrs. Sarich: Mr. Speaker, great business leaders deliver more than just financial returns for their company. They also strive to build enduring institutions. They know to the core of their purpose and success that the more they value people within their organization, the greater the rate of return that will result. Also, for any entrepreneur to have a family-owned business, which is one of the oldest forms of business organization, which spans more than one generation is a legacy to be reckoned with.

Mr. Speaker, Dawson Motors Ltd., located in my constituency of Edmonton-Decore, is such a company and on September 15, 2012, celebrated with pride their 80th anniversary. Generations of customers, friends, family, community, and one of Alberta's

successful country music artists, Brett Kissel, attended the celebration.

With entrepreneurial spirit automotive pioneer Julius Dawson, patriarch of three generations of mechanics, founded Dawson Motors in 1932 in a 14- by 24-foot building. Dawson Motors has continued to successfully grow into a modern and complete facility for automotive service and repair as well as a fully equipped machine shop.

1:50

To this day, Mr. Speaker, the company exemplifies Julius' business philosophy, which is quality workmanship, good service, and value for your money. Second generation Ken Dawson started as a gas jockey at age nine and officially joined his father, Julius, in 1954 as a master journeyman in both welding and automotive mechanics. Today Ken is the company president, and his son Dale serves as manager.

Again, Mr. Speaker, my heartfelt congratulations and sincere appreciation to all the family members and employees past and present for adding immeasurably to our great city and province. God bless.

Thank you, Mr. Speaker.

Oral Question Period

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

Lobbying Government

Ms Smith: Thank you, Mr. Speaker. It's fitting that we're sitting on Halloween because it's getting scary out there. It looks like the government has been possessed, so we're grateful that the Chief Electoral Officer is investigating this phenomenon. But there's another aspect beyond donations, lobbying. The Minister of Finance has described a number of meetings and a number of decisions related to the Katz Group and its interest in casinos and arenas. Is the Finance minister aware of the strict rules about lobbying and the sanctions for breaching those rules?

Mr. Horner: Yes, Mr. Speaker.

Ms Smith: That's good to know.

While we wait for the Minister of Finance to deliver on his commitment yesterday to provide details of the meetings about these matters, can he at least tell us who the registered lobbyist is that the government met with on behalf of the Katz Group through 2011 and 2012?

Mr. Horner: Mr. Speaker, throughout 2011 I did not meet with any of the Katz Group or with any lobbyists. I was actively engaged in a leadership race throughout 2011, so I can't speak to 2011. As the hon. member well knows, the definition for registry of a lobbyist is someone who spends more than 100 hours, but if you're meeting with the president of a corporation [interjections] – wait for it – they don't necessarily register themselves as a lobbyist because they're there on behalf of their corporation.

I would also add, Mr. Speaker: how many people in Edmonton do you think don't know what Mr. Katz is trying to do?

Ms Smith: That's very interesting, Mr. Speaker, because given that the Katz Group did register as a lobbyist in 2009 and did register as a lobbyist in 2010, but the lobbyist registry shows no record of anyone registered to lobby on behalf of the Katz Group in either 2011 or 2012, can the minister explain this discrepancy?

Mr. Horner: Well, Mr. Speaker, a lobbyist is someone who is hired by the corporation. In fact, the hon. member is right. I'm glad that for once they've done their homework. Now, the lobbyist that was registered in 2009 and 2010 was Mr. Peter Elzinga. Mr. Peter Elzinga was the registered lobbyist for them. Two and a half years ago, when I met with the Katz Group, with their lobbyist Mr. Elzinga, that was when they brought up the concept of whether we would consider changing the charitable gaming model. I said that the answer was no then, we've said that the answer is no today, and the answer will be no tomorrow.

The Speaker: The hon. leader, second main question.

Municipal Taxation

Ms Smith: Thank you, Mr. Speaker. Here's another scary idea for taxpayers, the spectre of tax hikes. The Minister of Municipal Affairs has been meeting with the big-city mayors on the issue of city charters. Now, it appears that Calgary's mayor emerged super happy with what they've heard so far about their quest for new tax powers. The Calgary mayor is floating the idea of several new taxes – a new municipal sales tax, a new vehicle registration tax, a new municipal tourism tax, and a new municipal fuel tax – yet the minister says that such taxing powers are not on the table. What's the truth?

Mr. Griffiths: Mr. Speaker, the truth is exactly what I have said for an entire year as minister in this role. There's only one taxpayer in this province. Everything that we do in this department is going to revolve around making sure that our roles and responsibilities with municipalities serve the one client we both represent, with the idea that they are one taxpayer. I've been clear from the beginning, and I'm just as clear now.

Ms Smith: Mr. Speaker, I'm just waiting for the minister to say, "no new taxes," because we're not advocating for more taxes, and given that the minister says that he's not either, if he has given the mayor such bad news, how can he explain why they emerged from the meeting with him so super happy?

Mr. Griffiths: Mr. Speaker, I've been at AUMA. I've been at AAMD and C explaining my position. She should listen to the mayor of Edmonton, who said that he agrees with me that we don't need new taxes. We need to make sure our roles are clear and stop listening to somebody who – I don't know – is maybe speculating.

The Speaker: The hon. member.

Ms Smith: Thank you, Mr. Speaker. Wildrose has a plan to help municipalities get the revenues they need to do the work that they need to do. It's called our 10-10 plan. The government's plan seems to be to have meetings, string them along, and then give them nothing. Call it a 0-0 plan. When is the government going to answer real needs with real answers?

Mr. Griffiths: Mr. Speaker, we have respected municipalities' autonomy from the very beginning. They say that they do, but every time we turn around, they talk about their 10-10 plan, which will cut funding to municipalities by \$400 million up front. Then they turn around, and every single time a municipality, whether it's Sylvan Lake or it's Edmonton, about the airport or the arena – they come forward and say that they won't support them. Do they support municipal autonomy, or are they going to boss everybody around?

The Speaker: The hon. Leader of Her Majesty's Loyal Opposition.
Hon. Member for Airdrie, you have a point of order?

Mr. Anderson: I sure do.

The Speaker: So noted.
Proceed, hon. leader.

MLA Remuneration

Ms Smith: Thank you, Mr. Speaker. The Premier is trying to trick Albertans, but the doubling of RRSPs is no treat for taxpayers. The government proposes to double the amount of taxpayer money going to MLA RRSPs, adding \$1,000 a month to MLA pay, an 8 per cent increase. Does the Premier really expect us to believe that there have been no caucus discussions or directions from her on how government members should vote on this issue?

Ms Redford: Mr. Speaker, what I expect Albertans to have confidence in . . .

Speaker's Ruling

Questions about Legislative Committee Proceedings

The Speaker: Hon. Premier, excuse me for a moment.

Could I just remind all members of the House and this member who just questioned, in particular, about 411 again? *Beauchesne's* 411 specifically states that a question may not "seek information about proceedings in a committee which has not yet made its report to the House." [interjections] Hang on. Hang on.

Furthermore, *House of Commons Procedures and Practice*, page 506, states, "When a question has been asked about a committee's proceedings, Speakers have encouraged Members to rephrase their questions."

Member for Airdrie, we've noted your point of order and a point of order from the Government House Leader as well.

Mr. Mason: And from me as well, please, Mr. Speaker.

The Speaker: And a point of order from the hon. leader of the ND Party. Thank you.

Hon. Member for Airdrie, you were asking?

Mr. Anderson: Just a point of clarification, Mr. Speaker, under Standing Order 13. The opposition leader is asking a question of the Premier on what her position is: is she instructing her caucus to do something? Does that not comply with *Beauchesne's*?

The Speaker: Hon. member, I'll comment more fully at the end of question period to clarify it for you, but anything to do with MLA compensation and pay is an issue for a committee called the Members' Services Committee, which two of your members sit on. As such, they have before them consideration of MLA compensation. It's a cautionary reminder. That's all.

Hon. Premier, you had the floor. Please proceed.

MLA Remuneration

(continued)

Ms Redford: Thank you, Mr. Speaker. Last fall and during my leadership bid I made a point of ensuring that we were going to have a transparent process put in place with independent advice with respect to how MLA compensation should be structured. After I became leader of our party and became Premier, we asked for that review to be done, and we were fortunate enough to have a retired justice of the Supreme Court of Canada, Mr. Justice Jack

Major, provide us with that report and detail. My understanding is that between decisions that government has made and decisions that the committee will make, we will have a full response to that.

Ms Smith: Mr. Speaker, I would point out that the Premier had no problem talking about transition allowances in the direction she gave to her MLAs.

Given that the RRSP increase amounts to an 8 per cent jump in MLA pay and given that the Alberta Teachers' Association is being told by government that it's trying to stick to a 1 per cent increase this year, doesn't the Premier see that an 8 per cent pay increase for MLAs sends the wrong message to our public-sector unions?

2:00

The Speaker: Again, hon. member, please, let's understand that the committee is reviewing this matter right now, in general, about RRSPs, about pensions, about compensation and has not yet brought its report forward.

Hon. leader, please proceed with your third and final.

Ms Smith: Mr. Speaker, we are asking for a moratorium on discussions about MLA compensation until the budget is balanced. Will the Premier at least agree with me today that this is the right thing to do so that her people can feel free to support our motion?

The Speaker: Thank you.

The hon. member has noted that there are three points of order on this already. I think we'll get to that at the end, and we'll clarify what this is all about so that everyone understands that there are rules that govern certain proceedings here, in fact, all of our proceedings. I think we all ought to try a little better to follow them. I certainly wouldn't be following them if I allowed them to be broken or bent to the point where they appear to be breaking.

Let's go on, then, with the hon. Member for Calgary-Mountain View.

Public Agencies Governance

Dr. Swann: Thank you very much, Mr. Speaker. Albertans may be surprised, as I was, that 250 government-appointed boards, agencies, and commissions spent approximately half of the provincial budget without any consistent oversight. This government in 2007 recognized this in a report called *At a Crossroads*, recommending that each ABC – agency, board, and commission – must have a precise mandate and that ABC members should be appointed based on competence. The government passed the Alberta Public Agencies Governance Act, Bill 32, in 2009 to attempt to implement these recommendations. Over three years have passed. This act has not been proclaimed. To the Premier: why has the law not been proclaimed, and when will you take steps to do so?

Ms Redford: Mr. Speaker, there's been extensive work done with respect to agencies, boards, and commissions. In fact, one of the things that is going on under Executive Council and the President of the Treasury Board is to ensure that all agencies, boards, and commissions are fully in compliance with the recommendations that were made with respect to that report. We're making tremendous progress with respect to that.

Dr. Swann: Making tremendous progress since 2007, when it was identified, and still nothing on the websites, Mr. Speaker. That's progress? I'm sorry.

Given that about one-third of ABCs have a mandate document posted online, even fewer have a current membership list, and given that the current Health minister said in reference to this legislation that "it's important to have legislation in place, reflecting this government's commitment to . . . transparency and accountability," how does the Premier ensure that these 250 ABCs are accountable to Albertans without proclaiming this legislation?

Ms Redford: Mr. Speaker, we do this every day through the public sector reform process, we do this every day through the Department of the Treasury Board, and we do it every day through Executive Council.

Dr. Swann: Mr. Speaker, of the 250 agencies, boards, and commissions we have looked at so far, their membership lists have 50 per cent of their members donating; 80 out of 90 of those donations go to the Progressive Conservative Party. Will the Premier commit to proclaim the act into law immediately and go a step further by not allowing any ABC members to donate to any political party?

Ms Redford: Mr. Speaker, I could say categorically that that hon. member has more information with respect to that issue than I or anyone on this side of the House. That is not a factor in anything that we do.

The Speaker: The hon. leader of the ND opposition, followed by the Member for Medicine Hat.

Chief Electoral Officer Investigations

Mr. Mason: Thank you very much, Mr. Speaker. Based on a questionable interpretation of the elections financing act, the Chief Electoral Officer refused to release details of previous investigations into illegal political donations. Now his office is suggesting that the results of this latest investigation into the massive donation from Mr. Katz and associates to the PC Party will also be secret. My question is to the Premier: will she do the right thing despite the Chief Electoral Officer's bogus interpretation of his act and ensure that his report will be made public?

Speaker's Ruling Questions about Political Party Activity

The Speaker: Hon. member, before we get into points of order – I see two or three members rising – I ruled on this earlier this week, and I would ask you to please consider that ruling seriously and rephrase your question to not make it a question about any political party or its donations, as is consistent with what I said earlier.

Secondly, the comments about an officer of this Legislature: you might just want to rephrase that part of your question as well and perhaps bear in mind that he's not here to defend himself.

I invite the next question.

Chief Electoral Officer Investigations (continued)

Mr. Mason: Thank you very much, Mr. Speaker. I apologize for that.

The Deputy Premier said in this Assembly: "if the Chief Electoral Officer chooses to release information, he's privileged to do so as per the independence of his office. Nothing, in my opinion, in the legislation prevents him from doing that." My question is: does the Premier agree with her Deputy Premier?

Ms Redford: Mr. Speaker, first of all, it is not for anyone in this House to be making comments with respect to how the Chief Electoral Officer, who is an independent officer of this Legislature, interprets legislation. What I will say is that I do agree with my Deputy Premier in terms of his interpretation of the legislation although, as we know, he is not a lawyer.

However, that is not the point. The point is that we have made significant contributions with respect to transparency, from expense disclosure to a commitment to a FOIP review, public interest disclosure, whistle-blower legislation, and of course we will make whatever information is communicated to our party publicly available as soon as possible.

The Speaker: The hon. member.

Mr. Mason: Thank you very much, Mr. Speaker. Well, just to give greater certainty to that last point: given the importance of full disclosure in election financing will the Premier release the Chief Electoral Officer's report herself if the Chief Electoral Officer refuses to do so, and if not, why not?

Ms Redford: Mr. Speaker, I'm going to suggest that the hon. member has just questionably interpreted my answer, which was "of course," which can also mean yes and can also mean absolutely. So he can interpret my answer in any way that he would like. It will be public.

The Speaker: The hon. Member for Medicine Hat, followed by the hon. Member for Edmonton-South West.

Travel to London Olympics

Mr. Pedersen: Thank you, Mr. Speaker. This PC government has shown once again that they are out of touch and only out for themselves. For a real Halloween scare Albertans need to look no further than our growing deficit and the million dollars wasted on a taxpayer-funded junket to the London Olympics. This may be Halloween, but Albertans are tired of the tricks this government keeps playing. To the Minister of Tourism, Parks and Recreation: will you admit this million-dollar junket was an irresponsible waste of taxpayer money?

Ms Cusanelli: Mr. Speaker, Alberta needs to build bridges, not walls. Our future depends on the connections that we make beyond our borders. We are already seeing the return on our investment that will be a lasting payoff for Albertans.

Thank you.

The Speaker: The hon. member.

Mr. Pedersen: Thank you, Mr. Speaker. Given that the Minister of Tourism, Parks and Recreation likes to just dance around the issue, maybe the Minister of Culture will tell Albertans what cultural value was gained by having over a hundred thousand dollars flushed down the toilet in empty and unused hotel rooms.

The Speaker: The hon. minister.

Ms Cusanelli: Thank you, Mr. Speaker. I will answer the question. People in key areas of our economy – artists, tourism industry, agrifood sector, technology sector – are telling us that this mission has been valuable to them, and that is what matters to us. What is good for our key industries is what is good for Alberta.

Thank you.

The Speaker: The hon. member.

Mr. Pedersen: Thank you, Mr. Speaker. I'd like the member to table all those statements that she made.

An Hon. Member: Investors.

Mr. Pedersen: The investors.

Given that the PC government passed a hat around their caucus to pay for their friends on the no-meet committee, will the Associate Minister of Accountability, Transparency and Transformation commit to being accountable and ask that they do the same to repay Albertans for the cost of empty and unused hotel rooms on the London Olympic junket?

Ms Cusanelli: Let's be clear, Mr. Speaker. The expenses for the hotel rooms are frustrating, and I share that frustration with Albertans. Our decision to reduce a delegation to ensure a focused, effective mission was the right decision. We wanted to ensure that we had a strong presence in London, and we accomplished that goal. That was the goal of our mission, and it is done.

The Speaker: The hon. Member for Edmonton-South West, followed by the hon. Member for Calgary-Fish Creek.

2:10 Capital Infrastructure Planning

Mr. Jeneroux: Thank you, Mr. Speaker. It's been reported by a reputable Edmonton newspaper that there's a possibility that next year's capital plan will include a list ranking the province's top infrastructure projects from one to 100 and beyond. My question is to the President of Treasury Board. Edmonton has several important capital projects proposed. Will they be included in the plan, along with a detailed timeline for completion?

The Speaker: The hon. minister.

Mr. Horner: Thank you, Mr. Speaker. Indeed, we are reviewing the processes for allocating funding for capital projects. We spent the summer and this fall travelling and talking with Albertans and have heard their thoughts on what infrastructure is needed. We're certainly putting that together.

Certainly, the opposition gave us their billion-dollar wish list over the last couple of weeks as they gave their maiden speeches. You know, Mr. Speaker, it's interesting that while they campaigned on cutting infrastructure spending by 25 per cent, now they're talking about spend, spend, spend in all of their speeches. I'm wondering if that's in their priority list.

Mr. Jeneroux: My next question is to the Minister of Transportation. Can you tell this House how this government will decide Albertans' priorities: a hospital in this community versus a school in another community, a road, a bridge, a waterline? [interjections] It needs to be clear, Minister.

The Speaker: Hon. Member for Airdrie, please.

Member for Edmonton-South West, I did not hear the end of your question. I hope the minister who is expected to answer did.

The hon. Transportation minister.

Mr. McIver: Thank you, Mr. Speaker. To answer the hon. member's question, when we're deciding on infrastructure priorities, we talk about traffic volumes, safety records, collision statistics, infrastructure conditions, economic activity, new developments that are occurring. We do it in the interest of all Albertans, not in the interest of individual ridings, as was presented

by the members across in their speeches asking for spending only in their ridings, three-quarters of a billion in the critic's alone.

The Speaker: The hon. member.

Mr. Jeneroux: Thank you, Mr. Speaker. Back to the President of Treasury Board: will this mean our government will see an increase in lobbying for projects, trying to influence decision-making?

Speaker's Ruling Decorum

The Speaker: Hon. members, if you could just keep the noise down. There are conversations going across the floor here, and there are interjections of all kinds. I'm having trouble hearing, and I'm sure people in our galleries are having trouble hearing, and who knows who else is having trouble hearing.

However, I invite the Minister of Finance to respond.

Mr. Horner: Thank you, Mr. Speaker, and well said. The decorum in this House should be respected.

Capital Infrastructure Planning (continued)

Mr. Horner: I do believe that there will be efforts to talk to us about where the priorities lie for each riding. I would also agree that every MLA has a duty to bring forward his issues, and we do that as a caucus.

I hope that the finance critic was listening to all of his colleagues and their more-than-billion-dollar requests for capital that are over and above what the rest of the province needs.

I would also say, Mr. Speaker, that we listen to our municipalities. We support our municipalities. We don't tell them what to do.

The Speaker: The hon. Member for Calgary-Fish Creek, followed by Edmonton-Decore.

Whistle-blower Protection (continued)

Mrs. Forsyth: Mr. Speaker, thank you. The bullying and intimidation of our doctors and our health professionals is one of the biggest issues that has faced this province. It peaked this spring when the Premier broke her promise, calling an inquiry that fails to address this serious issue. Now, in the government's whistle-blower release yesterday, which was more a trick than a treat, we find our protection will only apply to wrongdoings in 2013. Does the associate minister of transformation really think that trying to shut the door on the government's bullying of our health care professionals or, for that matter, any other public employee is truly being accountable and transparent?

Mr. Bhullar: Mr. Speaker, clearly, the members opposite have no clue what they're speaking about. The fact is that this new piece of legislation will allow the commissioner to go back and investigate as long as he so wishes. It would be very nice if those members opposite paid attention to the facts in this House and spoke about something that's real for once.

Mrs. Forsyth: You know, Mr. Speaker, it's interesting. The member calls us clueless, and I wonder who the clueless one is here.

If the Associate Minister of Accountability, Transparency and Transformation is all of the above and claims to be an agent of change, what will the minister do to ensure that our health inquiry expands to include the serious issue of the bullying and intimidation of our health care professionals?

Mr. Scott: Mr. Speaker, I'm very proud to say that we're leading the way in openness and transparency in this position. We are. We have the most robust expense disclosure policy. We introduced whistle-blower legislation. We're going to be reviewing the Freedom of Information and Protection of Privacy Act. Our Premier asked that this jurisdiction lead Canada in openness and transparency. That's exactly what we're delivering.

Mrs. Forsyth: Mr. Speaker, the minister just doesn't get it.

Given that this Premier during her leadership campaign last September quite clearly stated that she wanted protection for whistle-blowers, who can go to opposition parties, the media, the courts, or to the general public, can the minister please explain how the Premier will be held accountable for her latest broken promise to protect whistle-blowers?

Mr. Scott: Mr. Speaker, this legislation does not restrict the whistle-blower from going to any of those persons that were just mentioned. They can go to the media. They can go to anyone that they wish. Our act focuses on getting something done about the whistle-blowing issue. Our legislation is going to be able to react to problems. I don't just want the issue to be reported. We want to do something about it, and that's what this legislation is going to accomplish.

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

School Class Sizes

Mrs. Sarich: Thank you, Mr. Speaker. I've been hearing from a lot of sources big concerns about the tremendously large class sizes in our junior and senior high schools across the province. I can't turn around without someone asking about big class sizes, particularly in the cities. It would be helpful to receive the actual numbers in the situation. To the Minister of Education: how many classes in each of grades 7, 8, and 9 in Alberta's junior high schools have 30 or more students? Of those, how many have 35 or more students?

Mr. J. Johnson: Mr. Speaker, this is a great question. Class size is really an important issue and one we've been working hard to address. I can tell you that last year we had just over 45,000 classes serving our grades 7, 8 and 9 students across the province. About 10 per cent of those had class sizes of just 30 kids, and 1 per cent of those had class sizes of more than 35 kids.

I think it's also important to note how much we're investing in the class size initiative: \$1.6 billion since 2006, \$232 million this year alone, Mr. Speaker. As a result, less than one-third of a per cent of our K to 3 classes, which is where we're focusing our money, have over 30 kids.

The Speaker: The hon. member.

Mrs. Sarich: Thank you, Mr. Speaker. To the same minister. It's important to know how many classes in each of grades 10, 11 and 12 in Alberta's senior high schools have 30 or more students. How many of those have 35 or more students?

Mr. J. Johnson: Mr. Speaker, for the high schools we had 24,000 classes. About 16 per cent of those had more than 30 students, and 8 per cent had more than 35 students last year.

I want to point out that Education does not mandate specific class sizes as there's no one-class-size-fits-all for this province. But we do have guidelines for the school divisions, and those school boards are in the best position to determine the needs of their local classes. For one school 30 might be just fine. For another, a class of 12 kids may be an issue because of diversity in the classroom. I know that as a parent, and I've experienced that as a parent myself.

The Speaker: The hon. member.

Mrs. Sarich: Thank you. Again to the same minister: how do these figures which you have presented to the Assembly today compare to those from the 2010-2011 and 2011-2012 school years?

Mr. J. Johnson: Mr. Speaker, our junior high students have seen a slight increase in the number of classes with 30 or more students, about half a per cent. For high school it was slightly less, with an increase of .4 per cent. I think, again, it's important to note that class size, as important as it is and as much money as we're investing in it and as much attention we want to pay to it, is just one of the factors of success, the other factors being: what is the makeup of that class, the diversity and the challenges that are in that class? The third really important one is the skill level of the teacher. We're paying very close attention to all three factors.

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

2:20 Labour Protection for Paid Farm Workers

Dr. Swann: Thank you, Mr. Speaker. Over the summer there was discomfort across the agricultural sector over the possibility of a boycott of Alberta products from international corporations such as Pepsi, Frito-Lay, McDonalds, and Yum! foods, who have strong ethical procurement positions related to child labour and human rights in agriculture. It is interesting to note that the city of Medicine Hat is now also looking at its procurement policy. As most Albertans are shocked to realize, the paid people employed to produce our food, not including family members of family farms, are without protection under occupational health and safety, WCB, and labour standards for children. To the agriculture minister: are you concerned that these major buyers of Alberta meat and other produce, seeing the conflict, may be forced to boycott . . .

The Speaker: The hon. minister.

Mr. Olson: Well, first of all, Mr. Speaker, I will acknowledge the hon. member's interest in this issue. He's been talking about it for some time. I want to acknowledge that, but I also want to say that I'm very disappointed at his comments, which put our industry at risk in terms of talking about boycotts and, I would say, encouraging multinationals to boycott Alberta farmers, Alberta producers, and Alberta workers.

Now, we take this issue very seriously. We're very interested in worker safety, too. That's why we have struck a Farm Safety Advisory Council. I have their report. The Minister of Human Services and I are working on a response.

The Speaker: The hon. member.

Dr. Swann: Thank you. Well, I'm concerned about your lack of commitment as a lawyer to human rights in this province.

To the Finance and Treasury Board minister: is it acceptable to you that commercial agricultural operations choosing not to have WCB are downloading health care costs onto the public purse to the tune of \$4.5 million annually, at a minimum, according to a local expert? That's a lot of hip replacements, road work. How do you feel about that?

Mr. Horner: Well, Mr. Speaker, first of all, I'd like to know who the local expert is that came up with that number.

Secondly, coming from a farming family myself and having some history in the agricultural community, I'm obviously concerned about farm safety, very concerned. I've had friends who have been injured on the farm because they were farming their farm. The two ministers are working on the report. We expect to have the results of that soon.

Dr. Swann: Yes. They've been working on it for decades. How many more decades, Mr. Minister?

To the Human Services minister: since the Premier pledged to extend occupational health and safety and WCB to paid farm workers, excluding family farm members, the question is: when? Albertans want to see change.

Mr. Hancock: Mr. Speaker, seeing as that question has been answered twice already, that we're working on it and it'll be coming shortly, perhaps I could use the time that I have to ask the hon. member to stop disrespecting potato farmers and other farmers in the province by encouraging international companies who have got policies to boycott their products.

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

Corporate Sponsorships in Schools

Mr. Eggen: Thank you, Mr. Speaker. It's becoming more clear that this government simply does not provide the funding that school boards need to run our education system properly. Yesterday we heard that the Calgary board of education has started a discussion about accepting corporate sponsorships to fund their schools. Schools are public institutions, and they should not be put up for sale. To the Minister of Education: why is this minister not taking action to protect the integrity of our public schools?

Mr. J. Johnson: Mr. Speaker, I think that's quite an allegation, that our schools are up for sale to the private sector. I've heard nothing of that sort, and I'd encourage the member to actually talk to the CBE. I'd also ask: why wouldn't we invite industry and partners into our schools? Why would we refuse donations of the latest, greatest technology that our kids can be exposed to? Why would we not want to engage the people that are going to employ our kids as they come out of the school system? I wonder if the member has actually read any of the work of Inspiring Education, where it talks about engaging the community and engaging the business community and those folks with respect to our education system.

The Speaker: The hon. member.

Mr. Eggen: Thanks, Mr. Speaker. Well, given that without an increase in funding from Alberta Education Edmonton public schools will be facing a \$1 billion infrastructure deficit by 2021

and given that this government has a deficit of its own to deal with, what plan does this government have to keep our education system running without forcing school boards to go cap in hand to the corporate sector for sponsorship?

Mr. J. Johnson: Mr. Speaker, I have no inclination that this potential partnership that the CBE is looking at is to just generate revenue. This is to generate partnerships with industry. This is a good thing. This is not a bad thing. As a parent I want my kids exposed to the latest, greatest technology. I want them to be aware of what kind of job opportunities and work experience opportunities and internships are out there. We've been trying to push school divisions and push the education system to adapt that entrepreneurial spirit as one of the core things that we want to deliver. How do you deliver that without inviting entrepreneurs into the system?

The Speaker: The hon. member.

Mr. Eggen: Thank you, Mr. Speaker. Well, given that the education system is relying on P3s for infrastructure and on school fees for instructional costs and with reports of corporate sponsorship for schools in Calgary, would this minister explain what he will do to reverse this race to the bottom where piece by piece the integrity of our public school system is being sold off?

Mr. J. Johnson: Mr. Speaker, anyone that talks about our education system being on the bottom is completely out of touch. Alberta has a world-class education system recognized right around the globe as one of the top jurisdictions in the world, and one of the reasons is that we will overturn every stone we can to get at the partnerships, to get at the funding, to get at the latest research to make those classrooms better for our kids so our kids have more opportunities than anyone else on this planet.

The Speaker: The hon. Member for Cardston-Taber-Warner, followed by the Member for Barrhead-Morinville-Westlock.

Energy Technology Expenditures

Mr. Bikman: Thank you, Mr. Speaker. You know what is scary? Our growing deficit. The Minister of Enterprise and Advanced Education seems oblivious to the government's record of wasting billions of dollars on corporate welfare like AOSTRA 2 instead of putting Albertans first: fixing health care, balancing the budget, and eliminating school fees. We've seen this before as the government continues to pump \$2 billion of hot air into the ground. To the Minister of Enterprise and Advanced Education: are you not aware that this is exactly the kind of government waste that should be slashed to balance the budget?

Mr. Khan: Thank you, hon. member, for the question. Mr. Speaker, during members' statements not that long ago a number of members from across the aisle acknowledged the visionary contribution of Peter Lougheed to this province. Premier Lougheed was the man who came up with the original concept for AOSTRA, which is being taught in European classrooms as visionary legislation. AOSTRA 2 is a legislation and a vision for this province to continue on that visionary path that Premier Lougheed set for this province, and it will build to establish Alberta as the best place in the world to do business as the cleanest energy provider.

The Speaker: The hon. member.

Mr. Bikman: Thank you, Mr. Speaker. I find it amazing that this minister thinks the government knows better than everyday Albertans how to spend their money. Given that this government has a terrible track record of picking winners and losers, holding out billions on a silver platter for corporations on unproven carbon capture technology or even the so-called world-class magnesium plant, will the minister explain why more government waste, more deficits, and more corporate welfare are this government's priorities?

Mr. Khan: Mr. Speaker, I believe the hon. member is fully aware that our Minister of Finance, the President of Treasury Board, toured this province engaging Albertans in conversations about our financial future, all of which the hon. members across the aisle were invited to participate in. Thankfully, one took us up on the offer.

An Hon. Member: Two.

Mr. Khan: Two. Thank you.

Mr. Speaker, I'm proud to be on this side of the aisle with the visionary leadership that establishes Alberta and understands the value of research and science. With all due respect, we're not certain that those folks on the other side of the aisle are the best people to make recommendations in terms of scientific innovation.

Mr. Bikman: Mr. Speaker, I can't say I'm surprised by the minister's strong defence of wasteful spending.

Again to the minister: will you stop hiding behind this bureaucratic, make-work, corporate welfare project and admit that AOSTRA 2 is a complete waste of taxpayer dollars? It's the epitome of wasteful spending and incompetence and is exactly why we're drowning in red ink.

2:30

Mr. Khan: Mr. Speaker, quite the contrary. I am so proud to stand here and defend AOSTRA 2 as a visionary statement in terms of Alberta's position, and I'm proud to tell you that we will continue to be at the forefront of innovation, the forefront of research because Alberta is not only established as a leader within Canada, but we are recognized as a leader in research and innovation around the world. We will continue to do so, and we will continue to reap the economic benefits of that research and innovation.

The Speaker: The hon. Member for Barrhead-Morinville-Westlock, followed by Cypress-Medicine Hat.

Cardiff Road Overpass

Ms Kubinec: Thank you, Mr. Speaker. Highway safety is of particular importance to my constituents in Barrhead-Morinville-Westlock. Two top priorities identified are the completion of the Cardiff overpass near Morinville and the paving of highway 661. My first question relates to the delay of the Cardiff overpass completion. There have been many accidents and a tragic death this summer. To the Minister of Transportation: when will the government commit to increasing highway safety at the Cardiff intersection and complete the Cardiff overpass?

The Speaker: The Minister of Transportation.

Mr. McIver: Thank you, Mr. Speaker. I thank the member for the question. This intersection is a priority for residents of the area, and I would also like to recognize that the hon. member is actually working with the locally elected municipal council on this issue

because I'm hearing the same thing from them. The first phase of construction is complete, including a temporary detour and a realignment of 100th Street. There are also in place advance warning signs, warning lights, reduced speed limits, and acceleration and deceleration lanes. We'll continue to work with the hon. member and the local municipal council to address this issue.

The Speaker: The hon. member.

Ms Kubinec: Thank you, Mr. Speaker. To the same minister: is the government considering temporarily lowering the speed limit or increasing law enforcement presence until the overpass is completed?

Mr. McIver: Well, Mr. Speaker, I have to say to the hon. member that she might be disappointed. The speed limits on this particular intersection have already been reduced, and today there are no plans to reduce them further.

Between a combination of work that's been done and, thankfully, safe driving practices by Albertans using this area, we hope to make sure that motorists will ensure that this is a safe intersection. I'll also continue working with my colleague the Solicitor General to make sure that there is enforcement out there for those few Albertans that somehow need to be reminded.

The Speaker: The hon. member.

Ms Kubinec: Thank you, Mr. Speaker. Again to the same minister: given that both Westlock and Barrhead counties have identified the paving of highway 661 as their number one priority, can the minister assure us that the upkeep of this highway will be improved until that stretch of road is slated for paving?

The Speaker: The hon. minister.

Mr. McIver: Thank you, Mr. Speaker. On highway 661 we do monitor to make sure that it's maintained at what we consider a high standard of safety. At this point 661 is not in the three-year plan to be replaced, but I'd like to assure the hon. member, who has been pretty diligent in going after me on this issue, that we review the plan every year. We examine traffic volumes, safety records, infrastructure conditions, and as the needs arise, I'd like the hon. member to know we will take action and fix the road as it needs fixing.

The Speaker: The hon. Member for Cypress-Medicine Hat, followed by Strathcona-Sherwood Park.

Highway 63

Mr. Barnes: Thank you, Mr. Speaker. Speaking of taking action, winter is fast approaching, and with it comes an urgency to complete the maintenance on that 70-kilometre stretch of highway 63 north of Wandering River. Last week the Transportation minister boasted that he was getting the job done and was even taking an extraordinary step of bringing in a fancy piece of equipment to get the lines painted quickly. Despite these assurances, none of this work has taken place. Alberta drivers want to know, first of all: is there a cost overrun, and who is paying for it, the general contractor or taxpayers?

Mr. McIver: Mr. Speaker, I thank the hon. member for the question. It's more timely than the hon. member knows. I've been on top of this every single day. Because I've been on top of that, I know that as of 1:30, just by coincidence the same time the House

started sitting today, there is that fancy equipment, rightly described, out painting lines on that section of road.

Mr. Barnes: Given that snowfalls are inevitable during the winter months in northern Alberta, contributing to difficult driving conditions, and given that proper road lines are central to enhancing road safety for motorists and given that safety is very, very serious and the highway very, very important to Alberta, why wasn't this finished sooner?

Mr. McIver: Well, I'm grateful for the endorsement by the hon. member of the good work we're doing, the fact that we're out there.

Mr. Speaker, if the hon. member was listening when I answered a similar question in the House earlier, this project, when it's done, will be completed somewhere between eight and eight and a half months earlier than the original schedule of July 2013.

Mr. Barnes: Mr. Speaker, I'd like to go back to my very, very first question. A lot of Albertans have expressed concern about the cost of this extra machine. A lot of Albertans have expressed great concern about the safety of the highway, and we empathize with all Albertans. Will the minister please talk about the cost of the machine and who is paying for it?

Mr. McIver: Well, Mr. Speaker, the taxpayers of Alberta are paying for the construction of this road, and this particular exercise is no exception. This government has decided and my ministry has decided that the safety of Albertans is worth—I will get the hon. member the exact number; it seems to me it's in the neighbourhood of \$30,000, but I will get the exact number. This government considers that a legitimate expense. Rather than having Albertans not drive safely on this new section of road that they paid for for another six or eight months, we decided that while that was an additional expense, it was quite reasonable to add that level of safety this winter for all Albertans using highway 63.

The Speaker: Thank you.

The hon. Member for Strathcona-Sherwood Park, followed by Rimbey-Rocky Mountain House-Sundre.

Heartland Electricity Transmission Project

Mr. Quest: Thank you, Mr. Speaker. The heartland transmission line will soon be under construction through my constituency. Many of my constituents are questioning the need for this line. To the Minister of Energy: since the decision was made by a former cabinet, would the minister provide detailed information on why a 500-kV, 6,000-megawatt line is required?

The Speaker: The hon. minister.

Mr. Hughes: Thank you very much. The Alberta Electric System Operator, AESO, identified this project as being required as early as 2007 in the long-term transmission system plan. It was reaffirmed in the 2009 long-term plan. You know, common sense just tells us. If you look at the Fort Saskatchewan, 37 per cent growth over the last 10 years; Strathcona county, 30 per cent growth over the last 10 years. The Industrial Heartland is home to more than 40 new companies, 11 new projects announced during the planning stages, large-scale industrial complexes. Yes, Mr. Speaker, I'd be happy to . . .

The Speaker: The hon. member.

Mr. Quest: Thank you, Mr. Speaker. My first supplementary to the same minister: what's the timeline for construction now for the heartland transmission line, and when can we expect to see it actually fully energized?

Mr. Hughes: Well, I'm always happy to talk about fully energized, Mr. Speaker. The target for completion of the line would be approximately a year or a little bit more than that. It will be within the next year and a half or so and fully energized within a short period thereafter.

Mr. Quest: Second supplementary to the same minister, then, Mr. Speaker: what's the latest anticipated cost now of this line, of this project, and what will it amount to on Albertans' power bills?

The Speaker: The hon. minister.

Mr. Hughes: Thank you, Mr. Speaker. One would expect this to cost approximately 60 cents for each of the consumers in the province.

The Speaker: The hon. Member for Rimbey-Rocky Mountain House-Sundre, followed by Edmonton-Gold Bar.

Ferruginous Hawk Habitat

Mr. Anglin: Thank you, Mr. Speaker. What's really scary about this government is its inability to follow the law. Early this year ESRD gave ATCO permission to remove the nesting platforms of the ferruginous hawk. This hawk is protected by the Canadian Species at Risk Act, yet yesterday the Minister of ESRD stated twice that Dr. Schmutz was extremely pleased with ATCO and ESRD. Why did the minister misrepresent Dr. Schmutz's initial outrage when he wrote to the minister calling the removal of these nesting sites a breach of due diligence, ill conceived, and a mockery?

2:40

The Speaker: The hon. minister.

Mrs. McQueen: Thank you, Mr. Speaker. It is my understanding that Dr. Schmutz certainly in the beginning wasn't happy with this but that with the outcome that has happened with these hawks, that their nests are there, he is happy with that. That's what my understanding is. They're working together, Dr. Schmutz and the department and ATCO. The important thing is that these are an important species for us and that we're working together to find solutions for these species.

The Speaker: The hon. member.

Mr. Anglin: Thank you, Mr. Speaker. Given that this government claims to consult and given that Dr. Schmutz was clearly never consulted with regard to his ongoing research and the removal of these nesting sites, how did this government arrive at its decision, and by whose authority did this government allow ATCO to remove these nests?

Mrs. McQueen: Well, certainly the department has been working with ATCO and with the groups around there and with advice from experts like Dr. Schmutz as well to make sure that this important species is being taken care of. The nests are there to make sure that we take care of these important hawks.

The Speaker: The hon. member.

Mr. Anglin: Thank you, Mr. Speaker. Given that power lines actually kill hawks and given that the removal of these nesting sites violates the Canadian Species at Risk Act and given that the illegal action jeopardized an ongoing 28-year scientific study, will the minister admit that the decision to remove these nesting sites of the ferruginous hawk was an illegal action that violated the Canadian Species at Risk Act?

The Speaker: The hon. minister.

Mrs. McQueen: Thank you, Mr. Speaker. As I have said in both answers and as I said yesterday, ESRD is working with ATCO and is working with experts to make sure that we are taking care of the species at risk and to make sure that these hawks are taken care of as well.

The Speaker: Hon. members, that concludes question period. In a few seconds from now I will continue with Members' Statements, starting with Edmonton-Manning.

Members' Statements

(continued)

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

Northeast Anthony Henday Drive

Mr. Sandhu: Thank you very much, Mr. Speaker. I rise today to speak to the ongoing construction of the northeast leg of Anthony Henday Drive. We had the sod-turning this summer to start construction on the northeast section of the Henday. Since the sod-turning large construction machinery can be seen moving materials day and night to complete the section by 2016. As the construction runs from Manning Drive to end just south of the Whitemud, this project directly affects my constituency of Edmonton-Manning and the capital region.

The completion of this ring road project is one that people of the capital region and I are looking forward to as construction is planned to end in 2016. When the project is completed, it will include nine interchanges, two road flyovers, eight railroad crossings, and two bridges across the North Saskatchewan River, a total of 46 bridge structures.

Funding from the Alberta government along with private partnership will enable construction to end a full three years earlier than initially projected. It supports an ever-changing and expanding population and furthers Alberta's economic growth.

I look forward to witnessing the impact that the ring road may have on reducing commute times and traffic congestion for the residents in my constituency of Edmonton-Manning and for all Albertans who use the roadway.

Thank you, Mr. Speaker.

The Speaker: The hon. Member for Banff-Cochrane, followed by the Leader of the Official Opposition.

Banff-Canmore 878 Air Cadets Squadron

Mr. Casey: Thank you, Mr. Speaker. The Canadian cadet organization is one of the largest youth programs in Canada and includes Royal Canadian sea, army, and air cadets. This is a national program for young Canadians aged 12 to 18 which provides a variety of challenging and rewarding programs. Cadets learn valuable life skills such as teamwork, leadership, and citizenship and carry these skills into their adult lives.

Mr. Speaker, the Bow Valley is privileged to have the Banff-Canmore 878 Squadron located in our communities. This year they will be celebrating 33 years of service to our community.

Since its inception 878 Squadron has worked hard, building strong relationships with the surrounding communities. Their members are from Canmore, Banff, Exshaw, Morley, and Lake Louise. They are sponsored by three branches of the Royal Canadian Legion: No. 3, Three Sisters branch in Canmore; No. 26, Colonel Moore branch in Banff; and No. 179, Heart Mountain branch in Exshaw.

Supporting the squadron's 47 cadets is an incredible group of dedicated and skilled volunteers, which includes six officers, four civilian instructors, and a large, active Sponsoring Committee. Over the years 878 Squadron has been recognized with many individual and squadron awards. The latest of these is being named top air cadet squadron of the 96 units in the prairie region for 2010-11.

We are incredibly proud of all the young people taking part in the 878 air cadet programs, everything from biathlon to flight training to survival training, the programs too numerous to list here. The cadet program, Mr. Speaker, does work, and it is an asset in any community. We are very lucky, indeed, to have 878 Squadron in ours.

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

Government Accountability

Ms Smith: Thank you, Mr. Speaker. Albertans are honest, forthright, and upfront. These are our core values that make us who we are, so naturally we are disappointed when the government fails to live up to those values. We were promised a new approach to accountability. It was central to the arrival of a new leader, a new Premier, and a new government. Honesty, openness, transparency: these words were and still are tossed about daily from the other side with no regard for what they actually mean.

The reality is quite different: denials, secrecy, silence. This is what has come to define this government under this Premier. Her words and their actions just don't line up. Albertans have to look no further than what has transpired in this Assembly since we reconvened last week. Daily questions about MLA pay hikes and questionable political contributions to this PC government are met with scorn, ridicule, crude jokes, and stonewalling. We're not asking for much, Mr. Speaker, just the truth, just what the Premier promised when she said, and I quote: if what we are doing doesn't pass the highest levels of scrutiny, we shouldn't be doing it. Unquote.

Those words ring especially hollow today, the day we learn that Elections Alberta will indeed investigate her party for accepting a massive election contribution from a single source. Mr. Speaker, the Premier has an opportunity to save Alberta taxpayers a whack of dough and start repairing her tattered reputation on accountability and transparency by doing one simple thing, release the cheques. If this contribution was above board, if she's done nothing wrong, the cheques will prove it, so just release them. We doubt that will happen because despite claiming to adhere to, quote, the highest levels of scrutiny, this government's words and its actions tell a different story.

Mr. Speaker, the Wildrose Official Opposition is deeply committed to keeping this government accountable and transparent, and for us that's more than just words.

Tabling Returns and Reports

The Speaker: The hon. Member for Innisfail-Sylvan Lake.

Mrs. Towle: Thank you, Mr. Speaker. I've got the required number of copies of Annie Boychuk's personal story in her own words, and I'd like to present it to the hon. members.

The Speaker: The hon. Associate Minister of Services for Persons with Disabilities.

Mr. Oberle: Thank you, Mr. Speaker. Yesterday during debate the hon. Member for Edmonton-Strathcona indicated that the Alberta College of Social Workers had written to the government – I believe she said they were requesting a meeting – and had never even received a response. The College of Social Workers did indeed write to the hon. Minister of Human Services, but the letter did not actually request a meeting; it provided some input. They did receive a response. I'm tabling the appropriate number of copies.

The Speaker: Thank you.

Are there others? No other tablings? Thank you.

2:50

The Speaker: Hon. members, there were some points of order. I don't know if the members who raised them wish to proceed with them, but this would be the time. I think in the order that I recall them, Member for Airdrie, were you first? Please.

Point of Order

Factual Accuracy

Mr. Anderson: I'm just again referring to our favourite section, 23(h), (i), (j), and (l), a new one that was introduced to me by the House leader yesterday, a very, very good section. Mr. Speaker, we try to come into this House and debate issues. From time to time we do get answers. A lot of time we get answers we don't like, and we understand that. But when a minister of the Crown stands up and specifically misrepresents what another party has said, it's very difficult to conduct any kind of civil discourse. The innuendo does happen from time to time, and we ignore it, but when it's so blatantly false, when it's so completely false, that makes it difficult.

The Minister of Municipal Affairs clearly stood up in this House and said that the Wildrose 10-10 plan would severely cut funding for municipalities. It is completely unfounded, completely untrue. If he looks at the 10-10 plan, what it does is that it takes all of the municipal grants that are out there right now that the government gives to towns, rolls them up into one grant – okay? – and essentially replaces that grant with tax revenue of the same amount. It actually equates more because you don't have these granting application processes and bureaucracies filtering them and so forth. It just gives the money to the municipalities.

We did a detailed costing that was looked over by several professors of public policy at the University of Calgary and others. Costed, accounted for, et cetera. It did not result in a lower amount of money going to municipalities. It actually increased the amount going to municipalities.

We're not going to try to misrepresent what their municipal policy says. We know what the MSI is. We've said the numbers. They're written down. We don't say that MSI is going to take money away from municipalities that wasn't there before. That's not true either, so we don't say that. I just ask that we keep this

civil, we keep it to the truth, and not misrepresent so blatantly what other people have to say.

Mr. Griffiths: Well, Mr. Speaker, I don't think that this is a point of order. Their plan had said before that it was going to take 10 per cent of 10 per cent of taxes and then 10 per cent of surplus. It doesn't take a genius to sit down with the budget and calculate. We've got \$40 billion in revenue coming in. Thirty-four per cent of that comes from income and corporate tax. Ten per cent of that is \$1.36 billion. All the funding we provide now is \$2 billion. That's a cut of over \$600 million, and I'm being generous. I've heard municipalities talk about this. If you even factor in the cigarette tax and the alcohol tax and the gasoline tax, it's still at least \$400 million less than the \$2 billion that they get now. I'd argue this is not a point of order; this is a dispute among facts. They don't like the facts, and that's what this dispute is about.

The Speaker: Hon. members, I've commented on this before, and I hope I don't have to comment on it again any too soon. You will recall that on October 29 I referred to *Beauchesne's* 494. Now, before I rule on this, is there anyone else that has something new to add that perhaps I haven't heard or the Assembly hasn't heard?

Mr. Mason: Want to hear about the NDP policy?

The Speaker: Thank you.

Hon. members, I would refer you to the Speaker's comments of October 29, just two days ago, page 289, wherein I stated that "we often receive clarifications" in this House, and "as all members here would know, *Beauchesne's* 494 does have a nice citation" in that respect. Just to remind you all, I will read it to you once again, and hopefully it will sink in a little more deeply with all members on all sides of the House. It's headed Acceptance of the Word of a Member, page 151 in my version of *Beauchesne's*, sixth edition. It says under 494: "On rare occasions this may result in the House having to accept two contradictory accounts of the same incident."

When that happens – and it has happened in this House many times – we frequently get points of order about it. Points of order lead to a use of time. Points of order sometimes lead to additional comments by additional members, sometimes abusive and disruptive behaviour occurs, and we have to accept that one person's version of it is this; another one is that. As such, this is registered officially as a point of clarification, not a point of order, but for each of you to please reflect on.

The hon. Government House Leader with a second point of order.

Mr. Hancock: Thank you very much, Mr. Speaker. I think that's a very delicate way of putting it with respect to the last point of order given that so many times even the word "misrepresentation" came up. But I digress.

Point of Order

Questions about Legislative Committee Proceedings

Mr. Hancock: My point of order is under *Beauchesne's* 411(3), as you so rightly have quoted a number of times, that a question may not "seek information about proceedings in a committee which has not yet made its report to the House." I could give a number of other citations, but I think it's fairly well understood that the House has delegated certain responsibilities to committees. One of the committees that we have is the Members' Services Committee. The Members' Services Committee has the full authority to debate and set members' stipends and members' benefits and those sorts of things. It doesn't come back to the

House for approvals to do that. It does it under the delegated authority that it has. Those are within the purview of that committee.

The House received a report from Justice Jack Major in the spring session and referred that report to the Members' Services Committee, asking the Members' Services Committee to implement the report but for two items, I believe, that the House did not agree with and asked the committee to look at the pension recommendation in the report and report back to the House on that. That's clearly something that has been given to the committee. The committee has not yet reported on it.

It is entirely out of order for the hon. member opposite, the Leader of the Official Opposition, and others who have raised questions on other days to raise questions in the House about the proceedings that are before the committee. They are members of the committee. In fact, the hon. member raising the question is a member of the committee. She has a place to raise those questions. It's in public. It's on *Hansard*. It's got every opportunity to make the case that she wants to make about anything. That is not the purview of question period. That's not allowed in question period.

As well, Mr. Speaker, I think that there are other offending pieces to the way the questions have been raised in this particular area. One of them is this constant demand that the Premier tell her members how to vote. It is not appropriate for the Premier to tell her members how to vote. Every member in this House is voluntarily a member of a caucus. We can get together and we can discuss things. We can advise our members of committees what our views are.

Those discussions are the discussions of our caucus. Their caucus has discussions. I assume their caucus has discussions. I assume the hon. Leader of the Official Opposition is not a dictator, benevolent or otherwise. I presume that caucuses have discussions, challenge positions, decide on things, but members of the House have their position. It's not appropriate for the hon. member to ask the Premier to direct her members to do anything.

The Speaker: The hon. Member for Airdrie.

Mr. Anderson: Thank you, Mr. Speaker. As a member of that caucus for two years I know full well that we were whipped many, many times on virtually every single bill. To say that that's not the case . . .

Mr. Horner: You've never been a member of this caucus.

Mr. Anderson: I guess they could have changed that policy, but so far we haven't seen one person stand up against a government bill. If the Premier really believes that, then we should see if her MLAs actually start living it.

With regard to the issue of commenting on the committee proceedings, we are fully aware and the opposition leader is fully aware that when a matter is before a committee, she cannot comment on it. She gets that. We understand that, okay? The problem here is that, first of all, there is some confusion, Mr. Speaker, and I hope you can clarify it for us going forward. We are under the impression that a motion was passed in that committee. That motion specifically set out a transition allowance and specifically set out a raise in the RRSPs. Now, that was a motion – it's in the *Hansard* there – that was passed and then referred back to the House. I don't know if it's been sent back. It hasn't been sent back by the House, obviously, but maybe the committee has said: just hold on; we're going to do this again. I'm not sure. Maybe that's where some of the confusion is coming from. So if you could please clarify that.

3:00

That said, what we've been talking about in caucus is that when we address these things in question period, we're trying to understand what the policy of the Premier is, what the policy of the government is on a specific issue. We all know that in our system the Premier has a lot of influence on the decisions that her MLAs make. If they're not whipped, if you don't want to fess up to that, that's fine. Okay. Apparently you have free votes. Certainly, she has a lot of influence on their opinion, you would think. We're trying to figure out, this leader is trying to figure out what that opinion is on, specifically, MLA salaries.

Now, this Premier has stood up multiple times in this House saying how she has ended transition allowances, talking about transition allowances, talking about how she has committed to not having any transition allowance and so forth. Great. Fantastic. That's her opinion on transition allowances even though that's the work that the committee is doing. She's allowed to comment on that, though, because that's her policy, yet this member is being told that she can't comment. The Official Opposition leader can't ask a question on the policy with regard to the RSP allowance. It's completely inconsistent. How come the Premier can talk about where she stands on transition allowances, but this member can't ask the Premier about where she stands on RSP allowances? Both issues are before the committee that you speak of.

We're just looking for some consistency here, Mr. Speaker, in how we can talk about these things in the House.

Thank you.

The Speaker: Thank you.

The hon. member of the fourth party.

Mr. Mason: Thank you very much, Mr. Speaker. Rather than go to my own point of order, I think it would be preferable for me, at least, to just make some comments with respect to the hon. House leader's point of order.

Now, I want to confirm the statement that was made by the hon. Member for Airdrie. That is that the committee has made a decision, and the committee voted to recommend to this Assembly, as per its instruction from the Assembly, some recommendations.

Subsequent to that, we had some confused public statements by the Premier that later became a little clearer that she was clear that there would be no transition allowance. She repeated the earlier position that she had taken. That may not be instructions to PC members of the standing committee, but it raises a question as to why the motion that was made in the committee to make a recommendation to this House has not been brought forward to this House so it could be debated. I would hate to think that because of the Premier's public statements, there is a decision to hold that recommendation in abeyance while we have another meeting so that the members, of their own free will, can reverse the decision that has offended the Premier.

Mr. Speaker, I would very much appreciate some clarification because it was my understanding that the committee had made a motion to make recommendations to the House, and I'm frankly surprised that those recommendations have not come before the House.

Thank you.

The Speaker: The hon. Government House Leader briefly. You've already spoken once.

Mr. Hancock: Thank you, Mr. Speaker. A couple of things that I need to respond to in closing debate on the point of order. Firstly, the hon. Member for Airdrie said that the member raising the

question was asking the Premier her opinion. Well, it's clearly out of order to ask any member for a personal opinion. It's not a government policy; it's an opinion.

Secondly, there is not a government policy with respect to MLA pay. That's the purview of the members, and that's a debate that's held at the Members' Services Committee.

Thirdly, rule 411(3) clearly says: "which has not yet made its report to the House." It's a matter of fact that the committee has not reported to the House.

The Speaker: Hon. members, let me review this and, hopefully, try to bring the clarity that I think everybody seeks, whether you're on the committee or not on the committee. Let me tell you how things stand. There are 10 standing committees. All of them are listed inside *Hansard* on about page 2 or 3; the pages aren't numbered. There are standing committees, for example, on economic future, on the heritage savings trust fund, on the Conflicts of Interest Act, on private bills. The list goes on. It also references the Members' Services Committee, which is the subject of discussion.

Now, further to that, the Assembly back in spring passed what has frequently been referred to as Government Motion 11. Let me just refresh your memory of what that says briefly.

That the committee
being the Members' Services Committee
examine alternatives to the pension plan for members proposed
in recommendation 12 and discussed in section 3.5 of the
report, . . .

That, of course, is the retired Justice Major's report.

. . . including defined contribution plans, and report to the
Assembly with its recommendations.

Now, it's true that that committee, which I happen to chair, has met on several occasions, and we have considered a lot of business. That committee does have the power and the ability to make some rules, and we did that. We made some changes to some of our orders, and we are within our right to do that.

However, on this matter pertaining to an issue that was referred to us by this Assembly, we have not yet made a final decision other than a recommendation. The decision is in the form of a recommendation for a purpose, because we have not yet concluded our business. We still have, as you know from the letter I just sent you, a new issue to deal with that also comes out of Justice Major's report, and that is to provide some clarity, some recommendation regarding a review mechanism for MLA compensation in general. We have not yet done that.

Our business, hon. members, in respect to the charge that was put upon us by this Assembly has not yet been concluded. Therefore, we haven't yet come to a decision with respect to what our final report will contain. There are still some outstanding items to deal with, that being one of them. So we ought to wait for that committee's report. The committee, which has now been called by me to meet again next Tuesday, I believe, at 8:30 a.m., will consider what and how it wishes to report to this Assembly. Hon. members who serve on that committee are welcome to think about that over the weekend and see what the nature of our report might be, what it will contain and so on.

Remember that it has not yet come to this Assembly; therefore, *Beauchesne's* 411 applies. It's the only way of maintaining some sense of order and sequence and parliamentary adherence in this Assembly. I would caution you once again as I have done on numerous occasions – I haven't counted them all up yet, but I shall over the weekend – about not trying to pre-empt the work of that committee before it has had a chance to report. Then the Assembly will decide how to deal with it.

Those hon. members who are shaking their heads or otherwise indicating their disagreement simply have to understand that these are the rules that have guided us and will continue to guide us because if they don't – I'll tell you what's scary. Do you want to know what's scary? It's scary if we have no rules to govern this Assembly. It's even more scary if we have rules and we ignore them or choose to break them.

That having been ruled upon, we will proceed with the hon. Member for Edmonton-Highlands-Norwood with his point of order if, indeed, he has one.

Mr. Mason: Apparently not anymore, Mr. Speaker.

The Speaker: Thank you so much. That being the case, the matter is now closed, and we will proceed with Orders of the Day.

Orders of the Day

Government Bills and Orders

Second Reading

Bill 4 Public Interest Disclosure (Whistleblower Protection) Act

Mr. Scott: Mr. Speaker, I'm pleased to move second reading of Bill 4, the Public Interest Disclosure (Whistleblower Protection) Act.

This past spring the government of Alberta established its accountability, transparency, and transformation mandate. The new Public Interest Disclosure (Whistleblower Protection) Act is a cornerstone of this mandate and will make Alberta a leader in transparency legislation. Extensive research has been undertaken to ensure this bill reflects best practices both nationally and internationally. The bill incorporates crossjurisdictional research on comparable Canadian and international legislation, best practices from academic experts and advocacy groups, and consultations with stakeholders in the broader public sector to ensure the bill will accomplish its intended objectives.

3:10

As I mentioned before, the scope of the act applies to the public sector and is one of the broadest in Canada in its application. The legislation will apply to the Alberta public service; agencies, boards and commissions; academic institutions; school boards; and health organizations upon proclamation. Municipalities and Métis settlements may be included at a later date upon their request.

The purpose of this bill is to establish a formal process to facilitate the disclosure of wrongdoing, conduct investigations into wrongdoings, and protect those who make disclosures from reprisal.

I would now like to take this opportunity to provide more details on the key features of this bill. First and foremost, the kind of wrongdoings reportable under the act have been specifically defined and are consistent with comparable legislation in other Canadian jurisdictions. A wrongdoing includes violations of provincial or federal law, actions or omissions that create a danger to public health or safety, gross mismanagement of public funds, or counselling any person to do any of the above.

Should a member of the public witness an action or omission that would fall into these categories, they have the discretion to report under this act and receive protection from reprisal, which includes a dismissal, a layoff, a suspension, a demotion or transfer, a discontinuation or elimination of a job, a change of job location, a reduction in wages, a change in hours of work, a

reprimand, or any other negative employment action that is connected to the reporting of a wrongdoing.

To facilitate compliance with the act, the bill creates a new, independent office of the Legislature to be known as the public interest disclosure commissioner and sets out responsibilities and guidelines for the commissioner to follow. The commissioner will be responsible for reviewing disclosures received, investigating where appropriate, and making recommendations where reprisals of wrongdoing have been established.

It is our intent to have the Ombudsman appointed as the public interest disclosure commissioner in addition to his current role to ensure a smooth transition and to make use of already allocated resources. The appointment can be up to five years, with the possibility of reappointment by the Legislative Assembly. Future commissioners will be appointed and reappointed by the Legislature as a whole as is the case with other officers of the Legislature like the Information and Privacy Commissioner or the Ethics Commission.

[Mrs. Jablonski in the chair]

This bill also sets up a framework for an internal disclosure process before engaging the commissioner. Chief officers within each public entity will be responsible for implementing procedures, for managing disclosures of wrongdoing, and for communicating these to their employees. The act will define key elements that must be included in every internal disclosure policy. The commissioner will have the ability to review any organizations' internal disclosure procedures and, if they find them to be inadequate, direct that all disclosures go directly to the commissioner until such time as the deficiency in internal procedures is remedied.

Another senior official in each public entity will then be designated to manage disclosures in accordance with the internal procedures. Employees will be required to use the internal disclosure process unless otherwise provided for in the act. For example, if an employee is making a complaint and fears a reprisal, then they may go directly to the commissioner.

To ensure transparency through reporting, the bill provides that the public entities and the commissioner must report annually on the number of inquiries they receive, the number of disclosures of wrongdoing and reprisals, the number of investigations, and recommendations made and actions taken to resolve wrongdoings. The commissioner may issue a public report at their discretion such as when a wrongdoing is found or to identify systemic problems and recommendations that are not adopted.

To ensure that there are appropriate enforcement mechanisms, the bill makes it an offence to commit a reprisal in response to a disclosure, to obstruct an investigation, destroy records, or make false or misleading statements to an investigator. If such an offence is committed, it would be referred to prosecution through the court process, and the court may issue a fine of \$25,000 for a first conviction and a hundred thousand dollars for subsequent convictions.

It is important to note that the act does not replace other remedies pertaining to wrongdoings or reprisals such as civil lawsuits and that, where appropriate, wrongdoings must be referred to the appropriate authority. For example, investigations that confirm fraudulent use of public funds would be referred to law enforcement for criminal prosecution.

As you can see, this is an extensive, groundbreaking piece of legislation for Alberta and is evidence of the government's commitment to fulfilling its mandate of accountability, transparency, and transformation. To ensure that the objectives of the

act are being met after the act is operational, a special committee of the Legislative Assembly will be tasked with undertaking a comprehensive review of the act within two years of the act coming into force.

Thank you, Mr. Speaker. I would now move to adjourn debate.

[Motion to adjourn debate carried]

Bill 2

Responsible Energy Development Act

[Adjourned debate October 25: Mr. Hughes]

The Acting Speaker: The hon. Leader of the Official Opposition.

Ms Smith: Thank you, Madam Speaker. I am pleased to rise today to address the issue of Bill 2, the Responsible Energy Development Act. Let me say that the Wildrose Official Opposition wants to support this bill. We hope that we will be able to support this bill because we welcome its intentions. We do think that a one-stop shop for approving resource development is a good idea. We do, of course, believe in streamlining and finding efficiencies, and we think that all of the stakeholders in development can be brought together for the benefit of all Albertans, and I really do mean all Albertans, those Albertans who put the economy first as well as those Albertans who put the environment first.

Now, the Wildrose has gone out of our way to learn from and understand the needs and concerns of our energy and resource industries, and we have heard loud and clear their complaints about slow, cumbersome, and often contradictory regulatory hurdles. Because of those reasons, we were excited to see the introduction of the Responsible Energy Development Act.

That being said, before I get to some of the concerns I have, let me go through some of the complaints that we heard. When I began running for the leadership of the Wildrose Party, it was shortly after the implementation of the disastrous new royalty framework. There was a survey that was done on an annual basis called the Global Petroleum Survey, done by the Fraser Institute. What it does is ask investment advisers to rank the top jurisdictions in the world in which to do oil and gas investment. In the past Alberta had always enjoyed being in the top 10 of about 150 jurisdictions. In the 2010 survey Alberta had declined to number 92 out of about 150 jurisdictions, sandwiched somewhere between Poland and Hungary in the assessment of our business climate.

I'm pleased to acknowledge that having repealed some of the worst aspects of the new royalty framework and made some strides in addressing industry concerns, we're beginning the steady climb back to restoring industry confidence. In 2011 we were 51st on that ranking. In 2012 we were 21st on that ranking. So we're not back to where we were before the bad decisions were made back in 2008, but we're getting there.

Looking at the most recent, 2012 report from the Global Petroleum Survey, let me tell you what some investment advisers say about the jurisdictions in which they're investing. They say of this one jurisdiction that it has "stable and attractive fiscal terms." They say that it has "less red tape in conducting business than in other jurisdictions." They say that "the investment climate is bright." And the jurisdiction they're talking about is Saskatchewan.

Let me tell you what they say about another jurisdiction: "constantly shifting regulatory and approval framework," "high degree of government bureaucracy," "inefficient oil well site inspection procedures." And the jurisdiction they're talking about is Alberta.

Now, I commend the sustainable resource development minister for reaching out to industry and going through an examination of all of the steps that industry has to go through from the moment they conceive that they want to develop a well to the moment when it's abandoned and the land is reclaimed. I have to tell you that industry refers to what they developed as the 100-foot-long tapeworm, because when you put all of these tiny process steps on eight and a half by 11 sheets of paper, you end up with a stack of paper that is five feet high and 20 feet long. That is the 100-foot tapeworm that this government in its 41 years of creating regulation for the oil and gas industry has developed.

Let me tell you what that means in practice for a couple of the companies that I've spoken to over the last number of years, comparing our investment climate here in Alberta versus neighbouring Saskatchewan. One example was the company PetroBakken. They were trying to get approval for a pilot project for their fire-flood technique. In Saskatchewan the approval took 54 days. In Alberta the approval took more than two years. I don't know that they ever even got it before they ended up moving on from that.

3:20

Another story. This one is one of my favourites. Crescent Point was a company that switched from being an income trust back into a corporation after the federal government changed its income trust rules. They had thousands of wells in Saskatchewan and in Alberta, and they had to make a simple change in the description of each well site. They had to remove the word "trust" in the legal description of the well site.

So they called the regulators in Saskatchewan and said, "How do we do this?" The Saskatchewan regulator said, "Well, send over your list." Within two hours they'd solved the problem.

In Alberta the same issue took nine months to remedy and for a couple of reasons. First of all, it sat on someone's desk, didn't get pushed along. Finally, when it did get pushed along, they found out that part of the process they had used for transferring was to move all these wells into the abandoned well process. As a result, it ended up creating delays. While it was stuck in that limbo land, there were no completions that they could do, there was no additional development they could do, it was earning no revenue, and they were not able to do any work on it.

The second stage of the process. After they'd transferred over a portion of the wells, they were still stuck transferring over several hundred wells, and the excuse the government gave was that part of the problem was the way they tracked the percentage ownership. Crescent Point tracked its ownership share to three decimal points. The government only tracked ownership shares to two decimal points. Because the two systems couldn't talk to each other, they weren't able to transfer over several hundred wells.

When they finally fixed that problem, the last hurdle that Crescent Point faced was that the government regulators determined that the only way they would be able to execute the change of the name on the well sites was for them to put several hundred thousand more dollars into a liability fund in the event that those wells became abandoned. So a process in Saskatchewan that took two hours took nine months here, and I think that encapsulates part of the problem of what our industry is facing.

When I look at what we have in the bill, I was hoping that what I would see would be practical suggestions and practical steps for how we would address all of these different delays in the process. The unfortunate thing, from what I have seen in the bill so far, is that it kind of reminds me of the regulatory streamlining effort that the PCs went through a number of years ago, when they tried to convince the public that they were streamlining regulations

because they took five or six different rules, put them under the same title, and they squashed them all in together under one act. This is kind of what this feels like to me.

It feels a bit like a Franken-bill. It's bringing in all of the different elements of a variety of different pieces of legislation, squashing them together, and hoping that by naming it under a single regulatory agency, somehow it's going to solve the many problems, only a few of which I just identified here. In reading through the bill, I'm worried that the government is walking down exactly the same path that they did with four flawed pieces of legislation. I'll talk about three of them: Bill 36, Bill 19, Bill 50.

Bill 36 was the Land Stewardship Act, and one of the problems the government found with this bill is that when you look at the provisions of it, it centralized decision-making into the hands of cabinet, it restricted or removed compensation, and it eliminated the appeals processes for landowners. This is why landowners across the entire province stood up and told the government to change it. The government did change certain provisions because it was so poorly written in its first phase that it would have allowed the government to extinguish – that was the wording in the act – all sorts of statutory instruments, including things like land titles, drivers' licences, marriage certificates.

Having recognized that they'd made an error, the government went back, and they attempted to remedy a small portion of it. They didn't get rid of the central planning elements of it, which is why we're still hoping for some changes, but I think we have to acknowledge that they made a major error in the original drafting of this bill.

Bill 19 was the Land Assembly Project Area Act, once again a piece of legislation designed to freeze land into green zones and have an entirely different compensation process that operated outside the Expropriation Act. The Expropriation Act identified 19 different headings of compensation to compensate landowners. Bill 19 was specifically designed to limit the amount of compensation to a very narrow range of market value only. Once again landowners across the province stood up, went to town hall meetings, and forced this government to look at this legislation, and once again they did address the major flaws in this legislation to restore the full rights of landowners that are equivalent to what they would enjoy under the Expropriation Act, but again a bill was pushed through giving central planning powers to the cabinet, no appropriate provisions for protection of compensation, no appropriate provisions for legal recourse. Mistakes were made, and it had to be amended.

Which brings me to Bill 50, the Electric Statutes Amendment Act, 2009. This is the third in a set of three bad pieces of legislation that followed along the exact same path: central planning authority, taking away the independent needs assessment, putting the power into the hands of cabinet to make complicated technical decisions on the basis of need for transmission lines across the province. As we've seen, we're debating that in another session. They are now repealing that provision, returning and restoring the independent needs assessment to this independent commission rather than keeping the power centralized in the hands of cabinet.

When I look at the pattern that I've seen over the last few years of the government making the same mistake over and over and over and having to do amendments over and over and over, I am hoping that with this piece of legislation we can slow it down, we can identify the areas where we've got problems, and we can work together in a bipartisan way or a multipartisan way, perhaps, to be able to address those concerns so that we're not here again, one or two years from now, having to make amendments that we should be making to ensure that this legislation preserves that balance of respecting and streamlining the regulatory environment for our

energy companies as well as respecting the landowners who are impacted by it.

Let me go through and talk about a few of the concerns that I would see in the legislation. The first concern that I have, having spoken with many members of our First Nations and aboriginal communities, is section 21, which indicates, under Crown Consultation with Aboriginal Peoples, that "The Regulator has no jurisdiction with respect to assessing the adequacy of Crown consultation associated with the rights of aboriginal peoples as recognized and affirmed under Part II of the Constitution Act, 1982."

When I've spoken with leaders in First Nations communities – and I've travelled to many, many First Nations communities and met with many chiefs over the last couple of years – I was surprised to hear that their biggest problems are not with the federal government, as I expected. Their biggest problems are with the provincial government, a provincial government that doesn't consult, a provincial government that didn't consult on the Land Stewardship Act. So when I read this section of the act and hear that the regulator does not have any authority to consider whether or not the Crown consultation process was adequate, I think that's an inadequate provision. What we're trying to do for industry is to create certainty. It doesn't create certainty for industry if we go through this process and then at the end of the day end up tied up in the courts in a legal process because the Crown consultation process with our First Nations communities was inadequate.

I would like for us to revisit this issue so that if we do end up having a process that is truly one window, it will acknowledge that First Nations consultation is an integral part of that, that the province does have a role, a key role, in making sure it's doing proper consultation, and it has a duty not only to the First Nations communities but to our energy companies to make sure it's doing that consultation appropriately so we don't end up getting bottlenecked in continued litigation and a legal process.

From what I've heard from our First Nations communities, they welcome the opportunity to have that conversation, that dialogue, that discussion. They welcome the opportunity to be able to have development in their communities not only because there's the opportunity potentially to share in the revenues developed from those resources but also so that their people can be employed in those projects.

The First Nations leaders that I have met in Alberta are progressive. They are looking forward. They are excited about the opportunities for their people. They just want the province to look at them as a partner in that development rather than as a barrier, rather than as an extra step in a process. I think the language of this bill in section 21 does not recognize that they are reaching out a hand to us. I think the government needs to reach out a hand across the aisle as well.

3:30

The second thing that concerns me – and I believe that we'll be having to have a further conversation about this and, hopefully, some amendments – is this issue of time frames. As I've been travelling around and as I mentioned in my opening and in the stories that I told, the issue that we're seeing is not necessarily the fact that there are these different bodies. The problem is that none of these bodies have time frames that are legislated in statute that they have to follow to be able to make their decisions – to give their permits, to give their approvals, to give their licences, to have the appeal hearings – and I don't believe that this legislation addresses that. There are a couple of places where, I'll tell you, I have some concerns.

Section 61 of the legislation talks about all of these time frames, all of these parameters being at the discretion of the regulator. Section 61 says:

The Regulator may make rules . . .

- (f) prescribing the time within which the Regulator shall make a written decision on an application after the completion of a hearing.

It's in the hands of the regulator to determine what a reasonable time frame is.

- (l) prescribing the time within which the Regulator shall make a written decision on a regulatory review.

Once again, the time frame is within the parameter of the regulator.

- (p) prescribing the time within which the Regulator shall make a written decision on a reconsideration.

Again, it seems to me, in reading this legislation, that we're giving a lot of purview to the regulator to make decisions which, I believe, we should be more clear about in statute.

The reason you put something in statute rather than in regulation is because you want it to be tough to change. You want your regulators to realize how seriously as legislators we take their obligation to make decisions in a timely way. We shouldn't be leaving it to their discretion to push out decisions in six months, one year, two years, or longer because it's not convenient for them to increase their level of staffing or increase their processes so that they can deal with these things in a timely way.

I would like to see time frames prescribed in law. I find it very interesting that there are two time frames in here that are prescribed in law, so it's not as if the statute would not consider that. There is a time frame. If the regulator does make a rule, it's prescribed that they have to give 120 days' notice to the minister. That's very specific. The minister thinks it's so important that he knows of a rule change that he wants to prescribe in the legislation that the regulator has to give him 120 days' notice.

I would also note that there is another prescription for a time frame. If an energy company happens to have an administrative penalty against it, it has to be paid within 30 days. So the government, clearly, finds that it's important to put on industry a time frame for when they would have to pay fines related to administrative penalties. I think the quid pro quo is that industry deserves to have something written in statute about the time frames that the government is prepared to commit to and the time frames that the regulator is obligated to follow so that we can actually truly meet some of the recommendations and some of the objectives of the bill, which is to streamline the process.

The third thing I would say is that I have heard from one of the stakeholders who has examined this bill some concern that we appear to be losing one of our appeal processes, the appeal that you would normally have to the Environmental Appeals Board. This stakeholder had told me that there are in the current situation 12 per year that do take place. It's very important to be able to have an appeal. He gave the example that just this year this appeal board had heard a decision regarding a rancher who had some damage done to their dugout or their water well as a result of some coal development activity. So these are very serious issues. If a decision has been made by a regulator and there does need to be an additional appeal process, you don't want to take away that additional avenue for appeal.

Now, I do recognize that the Court of Appeal remains the ultimate court of adjudication, but part of what we're trying to do here is to create a bunch of quasi-judicial mechanisms so that we can avoid the costly process of going through the judicial courts, so that we can avoid the costly process of forcing our landowners to go through that as well. Let's just make sure that we preserve

all of the protections for these kinds of appeals in the event that there is a dispute. Once again, with this appeal board only hearing about 12 cases per year, it does not strike me that this is the area that our energy companies are complaining about. If we can restore and preserve this appeal process, I can tell you that it will go an awfully long way to making sure that our landowner stakeholders have a level of comfort with this legislation.

The other concerns that I have involve the makeup and the selection of the board. The board as it's prescribed in the legislation is going to be at least a three-member board. It could be more, but that does appear to be at the discretion of the minister. All three members of this board will be appointed by the minister. I think that we can go beyond what we have done in the past. I think part of the issue that we're seeing here is this concern: do we have the right people representing all of the interests when we're bringing together a board like this to examine a variety of different stakeholder concerns and to be able to balance them? I think the government is setting itself up for major push-back from certain stakeholders unless we look at a different model for how we select this board.

One of the things I would put out there as something that we could consider looking at is the way in which we, for instance, put together an airport authority board. On an airport authority board you often will have a couple of nominees represented by the city council, a couple of others who are represented by a county council, a couple of others who are represented by industry. I would say that that kind of process could potentially work here to alleviate some of the concerns of some of the stakeholders about having all of the cards stacked in the minister's office.

It could well be that we decide to go for a seven member board. Two of them could be former ERCB employees, as is suggested by the regulation. Two of them could be nominees by industry. Ultimately, the minister could make the appointment decision. But if you're asking CAPP, and you're asking SEPAC, and you're asking PSAC and others who they may think would be representative of their interests, maybe we have a nominee process so they can put forward two names. Maybe you also then have a nominee process for two landowner representatives on the board, so you can ask the Alberta Beef Producers, you can ask the Western Stock Growers' Association, you can ask those who are involved in the various surface rights organizations. And since we need an odd number, maybe you also get one from the environmental community. Maybe you ask CPAWS or you ask others who are involved in the Sierra Club for a nominee to represent that environmental interest.

Again, the decisions would ultimately be made by cabinet, but at least you would be reaching out to the various stakeholders and they would have some sense that this process has some credibility among all and is giving due consideration to all of the various stakeholders who are impacted by this legislation. I think the makeup and selection of the board in this legislation as it's written is not going to pass muster with our stakeholders in the landowner community and the environmental community.

I think that we've got to be working toward something that will be embraced by all of the stakeholders who are impacted because we also have another problem in that all of the hearing commissioners are also appointed by the minister. Again, there doesn't seem to be any consideration for how we might be able to balance between those competing interests, between those stakeholders who have different perspectives and different concerns. Of course, we want people on there who understand the energy sector, but we also want those who understand the impact on the environment, and we also want those who understand the

impact on landowners and all of the various issues that landowners face when development takes place on their property.

The main concern that we do have, though, is that the intense centralization tendency that we saw in Bill 36, that we saw in Bill 19, and that we saw in Bill 50 appears very much to be paralleled in this legislation. As I was reading along, I was becoming more and more concerned about all of the ways in which cabinet may do this, and cabinet may do that, and cabinet may do the other. But I think the real kicker comes when you get to section 68. In section 68(1) it says: "The Lieutenant Governor in Council may make rules in respect of any matter for which the Regulator may make rules under this Act or any other enactment." That seems pretty broad to me. If you look at subsection (2): "A rule made under this section prevails over any rule that is made or amended by the Regulator with which it conflicts or is inconsistent to the extent of the conflict or inconsistency."

So we get back to the same kind of problem that we had before, that if the cabinet, the minister doesn't like what the regulator does, they can interfere and start meddling and, basically, throw out anything that the regulator has said. So what's the point of having a statute to be able to give certainly to industry if you continue to have cabinet have these wide-ranging powers in which they can override a regulator's decision? This is not idle because when you look at how this happened in the past with transmission lines in the early 2000s, when the regulator came back and said, "If you're going to build a bunch of transmission lines, you need to split the cost between the generators of power and the consumers of power 50-50," that was overridden by the minister saying: "To heck with that. We're going to put all of the cost on the ratepayer." And we've had nothing but problems ever since.

3:40

That is the reason why you want to preserve the integrity of the regulator. It's the reason why if you're going to have a bill that purports to create an environment of regulatory certainty, you can't have clauses like that in the legislation.

I'll just say one more that sort of left me scratching my head because, again, it just seems so incredibly broad that I have to wonder what the minister has in mind with it. It's section 78 where it says:

- The Lieutenant Governor in Council may make regulations . . .
- (k) respecting any other matter or thing that the Lieutenant Governor in Council considers necessary to carry out the purposes of this Act.

Now, I don't know what the legal definition of "thing" is, but I have to say that when I see that kind of language, it does strike me as a catch-all to say: let's give the minister carte blanche to do anything at any time regardless of what is said in the statute. That's what we're trying to get away from here. We're trying to get a process in place where stakeholders can have confidence, not just the stakeholders who are going to be impacted by having development on their land but also the stakeholders who are impacted by these decisions.

We recognize that an arbitrary decision by cabinet could be just as damaging to landowners as it can be to energy companies. We need look no further than the sustainable resources minister's lower Athabasca regional plan where, with the stroke of a pen, the government is able to wipe out 18 oil sands leases. Who knows what the compensation is going to be for that? Who knows whether they're going to get full compensation for all of their investment and all of their projected investment? This is why having that kind of arbitrary power in the hands of cabinet does nothing to create an environment of certainty, not for landowners,

not for environmental activists, and certainly not for the energy industry which this bill purports to be responding to.

With that, Madam Speaker, as I said when I began, we are hopeful that we will be able to support this legislation. As you can see, we have some significant concerns with key elements of this bill, but we think it's fixable. We think if we go through a process and we do it properly and we do it with good faith and we recognize that all of us in this Chamber are actually trying to get the very best legislation so that the government doesn't face the kind of landowner activism that they've faced over the previous two and a half years or the kind of backlash that they got from the industry over the previous two and a half years – we've got to take the time to do this right.

Having legislation that is this many pages long dumped on the opposition benches, forced through its various readings within a matter of weeks, without giving us time to go through, talk with our stakeholders, talk with those who are giving us legal advice to be able to make appropriate amendments and recommendations, I think will lead us down the same path that we went before with Bill 19, Bill 36, Bill 50. I would implore the minister to be open-minded about slowing this down so that we can do the proper consultation, so that we can get it right, so that we can go forward with the government and the Official Opposition saying: "Yeah. This is a good piece of legislation. This is a piece of legislation that we can support, and this is legislation that we think all stakeholders can support."

As it is written right now, I would not be able to go out and say that. But we have a number of hours ahead of us. We have a number of speakers ahead of us. I do hope that the government members listen to the debate of my fellow opposition members here. I know everybody has an awful lot to say on this bill. I know that our caucus is generally wanting to support the intention of the bill. We do think that it is salvageable, but we do think as well that significant improvements are needed to take this bill to the end where it is intended. And I do hope that the government will work with us to get there for the benefit of all Albertans.

Thank you, Madam Speaker.

The Acting Speaker: Thank you for your comments, hon. member.

I will now recognize the Member for Strathmore-Brooks.

Mr. Barnes: I have a question under 29(2)(a).

The Acting Speaker: No. I'm sorry. Standing Order 29(2)(a) does not apply.

So the Member for Strathmore-Brooks, please.

Mr. Hale: Thank you, Madam Speaker. I would like to thank the hon. Energy minister for taking time to speak to me about this bill since he has introduced it. Overall Bill 2 looks to be on the right track. Wildrose supports cutting red tape. This bill aims to reduce some of the red tape faced by industry to encourage economic growth without sacrificing environmental targets. I can support that aspect of this bill.

It's worth pointing out that the Canadian Association of Petroleum Producers supports this bill, in particular the changes which will provide clear policy guidelines to the regulator, simplified regulator access for all parties, and the right level of regulatory review. CAPP notes that the regulatory enhancement project will create a more efficient regulatory system to help build investor confidence, bring more investment, and create jobs in Alberta. I agree with CAPP that Alberta should work with our neighbouring provinces to advance policy and regulatory

improvements and work with the federal government to reduce any duplication.

Bill 2 aims to improve the regulatory process, which has become labour intensive, cumbersome, and has reduced Alberta's competitiveness in the global economy. The province of Saskatchewan has recently taken steps to increase its competitiveness and has been quite successful in encouraging investment because of its reduction of red tape. There have also been other issues with this province's model, that I will mention later. I applaud the initiative taken here to tackle the problem head-on and, hopefully, maintain the momentum to restore Alberta's competitiveness.

While Bill 2 appears to be a step in the right direction in encouraging this competitiveness, I have a few reservations I hope the government will address before this bill gets to final reading. I would need to see some changes before I could fully support this bill. First, the bill appears to centralize power in a similar fashion to former bills 19, 50, and 36. For instance, Bill 2 repeals landowners' section 26 standing rights under the Energy Resources Conservation Act and does not replace those rights with anything substantive. An easy remedy for this absence is to reinstate the section 26 rights into this new bill.

Second, Bill 2 removes the rights of landowners to appeal decisions under the Environmental Protection and Enhancement Act and the Water Act relating to energy projects to the Environmental Appeals Board. What we see instead is a centralizing of these current appeals mechanisms under a single regulatory board. This board makes its own rules. For someone who may want to appeal the decision that has been made, appealing to the same board that made the decision might seem like a fruitless activity. Under current legislation appeals are made to the Environmental Appeals Board, but landowners won't have that option under this current bill.

A lot of the issues with landowners may be handled if their concerns are addressed from the start. They need to be brought into the planning stages of projects from the beginning so they can have input or, at the least, notification of where they will be impacted. I don't see anything in this bill that shows where landowners are engaged in the approval and planning process. The government should reconsider the mechanics of this bill to ensure landowners' rights are protected so that we don't have the same uproar that followed the Land Stewardship Act. There needs to be an independent appeal process to give Albertans confidence that their traditional appeal rights are not being taken away.

Now, just to point out the importance of getting it right, I'd like to relay an example. In Saskatchewan the government created Enterprise Saskatchewan, which was supposed to be the new model for economic development. According to some industry groups it has been nothing short of a disaster. The government hired someone who didn't fit the bill, and it severely limited the effectiveness of this initiative. While the Saskatchewan government had good intentions, it resulted in a series of administrative nightmares. The make-or-break of this bill will be its execution. It's important that legislation is right, or the execution is going to be off, and it will not result in the intended conclusion and could instead result in negative consequences for industry and landowners.

One of the issues is the makeup of the board of directors for the new regulator and how these directors are appointed. Getting the right people on this board is paramount. The government should consider defining the composition of this board to reflect the diverse makeup of Alberta. The board of directors should include someone with a property rights background, someone with an environmental background, and, of course, someone with oil and

gas experience. Furthermore, this board should be appointed by an all-party committee of the Legislature. Bill 2 should get rid of the provision where the minister appoints this board to prevent any perception that this is a politically appointed board or that it is being done as a patronage appointment. Such perceptions would limit the effectiveness of the regulator and could have negative consequences for the regulator to accomplish its objectives.

Next, a few sections in Bill 2 empower the Lieutenant Governor in Council and the minister with far too much power. We saw how unpopular this was in former bills 19, 36, and 50. In Bill 2 section 68 opens the door for another Bill 19, Bill 36, or Bill 50 disaster by allowing the minister and cabinet to rewrite rules to expedite things that wouldn't make it through the standard regulatory process. As written, too much discretionary power is given to the Minister of Energy, the cabinet as well as the regulator.

3:50

On a small but important note, the minister's powers could also be curtailed so as to exclude the right to request personal information on applicants. Currently Bill 2 gives the minister the right to request personal information. It's not clear why the minister would be that hands-on, asking for this information. I would like to hear the minister's explanation for this and to elaborate on whether the FOIP Act would limit him in any way concerning privacy. At any rate, the regulator should not have the minister as a back-seat driver, and applicants shouldn't have to fear ministerial interference.

Sections 42 and 43 give the regulator power to review its own decision after the fact without a hearing. This clause seems to open the door to creating a level of uncertainty as it will deem any decision made as not final. That could be changed on the whims of the regulator. When a company gets approval, they should have certainty that they can go ahead. When a landowner has assurances concerning their land, they should also feel that they can stop worrying. The regulator shouldn't be making all of its own rules, reviewing its own decisions, and changing its mind whenever it wants.

Madam Speaker, overall, the intention of Bill 2 is good, but there remain several concerns, as outlined here and by my colleagues, which need to be addressed before receiving final reading. Bill 2 as currently written gives the Energy minister and the cabinet too much power in determining the makeup of the board. It risks not reflecting the diverse makeup of Alberta with property rights, environment, and industry adequately represented.

Bill 2 eliminates traditional means of appeal for no good reason. The right to an independent appeal must be reinstated, whether that is through the Environmental Appeals Board or a different independent body. The regulator must not be its own regulator. It should receive clear direction from government and act independently but not have the powers to define its own mandate or to retroactively review cases where a decision has already been determined. That should be the job of an independent appeal group.

Bill 2, if passed, will be judged on its implementation and the results of the work of the new regulator. It's important to get this right the first time rather than face a prolonged battle with landowners and industry and end up amending it a few years down the line. I look forward to working with the hon. Energy minister to get it right the first time.

Thank you.

The Acting Speaker: Thank you, hon. member.

Now Standing Order 29(2)(a) kicks in. The hon. Member for Cypress-Medicine Hat.

Mr. Barnes: Thank you, Madam Speaker. To the Member for Strathmore-Brooks. I have a constituent in Cypress-Medicine Hat who for seven or eight years has had trouble with the appeal process and getting answers on removal of or compensation for orphaned wells. I'm wondering if you're further concerned about the appeal process with this and if you could touch more on what your main concern with this bill is, please.

Mr. Hale: Well, certainly, Madam Speaker. Orphaned wells are a huge concern. There is no definite timeline, if a well is abandoned, until it is reclaimed. Our hope is that this bill will address those concerns and allow landowners to have a set timeline for when orphaned wells will be looked after, when wells that have been abandoned are reclaimed and the reclamation certificate can be handed over.

There's too much indecision in the way that landowners are affected. I've got a couple of really good examples of landowner issues, not having the right appeal process. For the oil company I was working for, we were drilling a well adjacent to one landowner's land. He was not happy with what was going on. He went to the company. He went to the ERCB. He wasn't satisfied with the way issues were being handled, so one day he decided to take matters into his own hands. A surveyor that came to talk to him about a lease application that we were recommending on his land took the brunt of it and ended up bent over the back of a truck.

Landowners are very, very protective of their land. They are excellent stewards of the land. Nobody knows how to maintain the land better than they do. They have so much invested in the land. That's why we are very concerned that the property rights aren't enshrined in this bill. If we can get that section put back in to allow them an appeal process – so the regulator does not have the option of hearing an appeal or not – if it goes through an independent body, then that landowner will feel like he has a place to go. At this point with this bill he doesn't. That's our intent. I'm hoping to work with the hon. Energy minister in ensuring that landowners will be satisfied that if they have concerns, they will be looked after.

The Acting Speaker: Thank you.

We still have a few minutes under Standing Order 29(2)(a). Are there any other comments or questions for the hon. Member for Strathmore-Brooks? The hon. Member for Rimbey-Rocky Mountain House-Sundre.

Mr. Anglin: Thank you, Madam Speaker, and thank you to my colleague and fellow member. I was wondering if the member could comment on, in particular, landowner frustration and how that is created by the way we design some of these pieces of legislation.

Mr. Hale: Well, I think that mainly it's created because the landowners have no input into the formation of these bills and legislation. That's why I recommended in here that the board of this new regulator have somebody with property rights experience, somebody with environmental experience, and someone with oil and gas experience so that they have a voice from the start. Also, I mentioned in here that they need to be brought into the process, that when these oil companies and pipelines and mines and facilities are getting built, they are made aware of what is going on from the start, if it's on their land or it's adjacent to them, so that they have some sort of an input process in the determination of what is going to happen. They need to be well informed.

I mean, communication is of the utmost. If they don't know what's happening and all of a sudden they see right across the

road from them a drilling rig that pulls in or, you know, some sort of company that is going to build a big structure that they don't know about, of course they're going to be angry. They're used to being left alone out on the prairie. Many times when we were working – you know, we'd have a thousand-well project we were proposing – we'd pull in. We would call the landowners in. We would say: "Okay. This is what we're looking at in a year, in two years. We want your input. We want to know what you think."

That's what the companies really need to do, and that's what this regulator needs to do. Start at the ground level. Bring in the landowners. Get their input. Show them what's going to happen. If they don't like it, you know, then it's easier to make the changes at the start than when you're halfway done a project. They need to be brought in from the start. Many of the oil companies that I've been involved with really worry about the landowners.

The Acting Speaker: Thank you, hon. member.

The hon. Member for Calgary-Fish Creek.

Mrs. Forsyth: Thank you, Madam Speaker. It's my privilege to stand up and speak on Bill 2, the Responsible Energy Development Act. It's also an honour for me to be following the Leader of the Official Opposition and my colleague sitting next to me, who is the Energy critic. Then up pops the Member for Calgary-Fish Creek.

As I've indicated in this House before, one of the things that I enjoy the most about being a member of the Official Opposition is the incredible learning curve that we have. I've also spoken in this House prior in regard to the incredible respect I had when I was a member of the government for the opposition having the ability to get up and speak so eloquently over and over and over again about every piece of legislation and the knowledge that the members seemed to have on every bill.

Well, I can tell you, Madam Speaker, that I'm still learning on this particular bill. We had a robust discussion meeting I think it was two days ago – with the long hours we've been putting in, they sort of all go into the same day – listening to my colleagues talk about their concerns on this bill. I am an urban MLA. I have a great deal of respect for industry, the people in my riding, and my riding has a lot of oil and gas people. I had breakfast, actually, on Sunday, when I was at a constituency brunch, with probably two of my biggest supporters, both presidents of oil and gas companies.

4:00

I've also mentioned in the House my son who's in the oil and gas business, a driller. He's always kept me informed on the oil and gas side, and I was very, very proud that my son was very prominently in *Licence to Drill*. That was a very enlightening movie for me to watch over a series in six parts about all of the things that go on on the oil and gas side of the business: all of the costs, all of the money that goes into the oil and gas business, and some of the things that they do on the rig that I consider as a mom quite dangerous. I wasn't quite sure whether I wanted to watch this movie to the very end, especially when I saw my son bringing in a helicopter, and he goes sliding across the ice because of the cold, the damp, the wetness, and some of the things that are happening on that particular rig.

I can tell you, Madam Speaker, that the bill, there is no question, has been a response to the concerns of the oil and gas industry that the current regulatory regime in Alberta is a hindrance to growth. There's no question that we know that, and there's no question that we know that the regulatory process that we put our industry people through in the oil and gas business is

so cumbersome. I see what's happening in Saskatchewan and B.C., not to mention in the U.S. I think that when we go back in history, the task force at that particular time, that was led by the now minister of environment, was formed to put together some suggestions, some recommendations on how to improve the industry.

I also am in receipt, obviously, of a memo from CAPP, which everybody is aware of. The Canadian Association of Petroleum Producers in a news conference in Calgary spoke very eloquently about the implementation of the regulatory enhancement project in creating a single provincial regulator, that they support the bill and they support the hon. Minister of Energy and, obviously, the hon. minister of environment, and about them creating that single regulator so that the oil industry has one-window shopping, I guess, if we can call it that. I don't have a problem with that. I think that's a huge asset to the oil and gas industry, that one-window approach. They talk about the clear policy guidelines to the regulator and the simplified regulator access for all parties and the right level of regulatory review, based on the projects.

The Responsible Energy Development Act talks about the purpose of the legislation, to create an energy regulator, and talks about efficiency, safety, and the environmentally responsible development of the energy resources. It talks about the single regulatory process. What is interesting, after sitting down and listening to my colleagues, is that I look at it from an industry perspective, and all of a sudden I'm listening to my colleagues about the balancing act of a landowner.

That takes me back to when there was a small caucus, previous to the last election, of four and the incredible fight that we were putting up with the government in regard to some of the legislation that was before us – I think it was bills 19, 36, and 50 if I'm right – and how we were talking about landowners' rights. At that particular time we faced a lot of criticism from the government.

Being the urban MLA, I always find it interesting – and it's no different today than it was back then – that when I start hearing from people in the rural areas, something is amiss. That starts putting my radar up, and I'm thinking: okay, we've got a problem. At that particular time the PCs, the government at that particular time, had a lot of rural members. When I started talking to some of the people that were calling me, I said, "Well, you know I'm not your MLA." They said: "Yeah. We know that, but our MLA isn't listening."

So my little spidey senses start going up, and I'm starting to think: well, we have a problem. There's no question that there was a problem. We've got Bill 50 and – I can't even remember the name of the bill now that's before us – I think it's Bill 8 that we're going to be dealing with. One of the things that I'm concerned about, again, is that the landowners or the rural owners in this province are starting to send their messages of concern, and I'm thinking: "Oh, my gosh, are we going to have the same problems that we had previously where we're not respecting the rights of the landowner?"

I know – and I've spoken about it – that the industry supports this bill, and I don't think the industry has any intention of not respecting landowners' rights. There's no question. But I think it has to be very clear in the legislation for both parties, and I think it has to be very clear in the legislation for both parties about the respect for both parties.

I have had some interesting conversations with my leader, whom I have a great deal of respect for. I listened very intently to her speech. It's interesting. As busy as she is, I've been watching her over the last two days go over the bill word for word and line for line to make sure that when she speaks, she incorporates not

only everything that she has heard but that she has picked up on the bill. I think that's important, and that's what every member in this Wildrose caucus is doing in their critic position. They are not only speaking for themselves as a critic, but they are also speaking on behalf of the constituents that they're representing. They're also speaking a lot of times on our behalf, and they're educating us in regard to what they think is important in the bill and what isn't.

The leader and I had a good conversation about balancing the needs of industry and, obviously, the needs of the landowner. She assured me that she would make sure that she covered on both halves the concerns that she's heard from the industry and the concerns that she's heard from the landowners.

One of the other things that I found was very interesting when I was listening to the leader is her bringing up her concerns about the aboriginal issues. I think that's sometimes one of our forgotten peoples. I've always had a deep love for the aboriginal people. I was blessed when I was the minister of children's services to receive a Blackfoot name, which is probably, there is no question, one of the biggest highs in my political life, and you know, Madam Speaker, we have lots of highs in politics. I was deeply appreciative. To go through that process of getting an aboriginal name – I don't know if you have a name – is deeply honouring.

Mr. Dorward: What's your name?

4:10

Mrs. Forsyth: As soon as you asked, I went: I'll get it to you. It's Healing Woman. I know that. The hon. Member for Edmonton-Gold Bar asked me my Blackfoot name. I had it, and as soon as he said it, it went like this. I know it's Healing Woman in English, and I promise I'll get that to him. I don't want to make a mistake because, as I said, it's very honourable.

I noticed when the leader, the Member for Highwood, was talking that even CAPP has recommended that they want to continue to encourage federal-provincial co-ordination of regulatory reform initiatives and encourage both levels of government to make progress in clarifying expectations of project proponents regarding aboriginal consultation.

Now that's very key. As a former minister – and you were a minister also previously – you know the importance of going to FPTs, and you know the importance of attending FPTs, that you bring the issues from the province to the federal-provincial-territorial meetings.

I'm looking at what CAPP has to say, and there obviously are concerns about some of the aboriginal consultations in this particular province on the oil and gas and the respect for – I guess we'll add three parties – the industry, the landowners, and, obviously, our aboriginal people.

I am one of those MLAs, as everybody else here is, who knows why I'm elected and understands why I am elected. I think one of the number one priorities for all elected people in this Legislature is to learn why they have two ears and one mouth. I think that was given to us for a reason, and I was taught very early in life by my dad, who's no longer here, why I have two ears and one mouth. I guess I was naughty one day and thought maybe he should tell me why I was blessed with two ears, and of course everyone knows it's to listen more than you speak.

I am anxious and encouraged to listen not only to my colleagues – I know many of them want to talk on this because it's important – but to the government and to hear what the government members have to say. I've noticed, Madam Speaker, that it hasn't changed much since I left on January 4, 2010, because I don't see many members standing up and speaking on behalf of their

constituents on a piece of legislation. I indicated the role of an MLA at the national press conference when I crossed the floor.

I'm going to yet again encourage members. On every piece of legislation that we're talking about that's going to be going through this Legislature, it would be nice to be able to hear what they have to say, even if it's two minutes or five minutes, on behalf of their constituents, that they're fully supportive of this bill. I'm sure many of them can stand up on behalf of this from an industry perspective. I'm not so sure the rural guys can stand up as eloquently and talk about how their constituents feel when there's that landowner issue that needs to be discussed. I imagine both the leader and my colleague... [Mrs. Forsyth's speaking time expired]

The Acting Speaker: Thank you, hon. member.

Under Standing Order 29(2)(a) we have five minutes for comments and questions. The hon. Member for Lac La Biche-St. Paul-Two Hills.

Mr. Saskiw: Thank you, Madam Speaker. You know, I used to be with the PCs. I remember when I was the VP of policy, when they were ramming through some of this legislation, Bill 50, I chaired a meeting, and they rushed in MLAs and other people to just force the vote. The grassroots people weren't consulted. Here we have, again, a 79-page document with pretty dense legalese in it. You being a former minister, I guess I just have a question: is the process getting better? Do you have healthy legislation when you have this much legislation being rammed through in three evening sessions and so forth, or is there a more methodical approach that should be used?

Mrs. Forsyth: That's a very interesting question, and I'm actually pleased to be able to answer that. One of the interesting things that I think my new colleagues are learning and that I'm starting to hear about is how quickly bills are tabled in the Legislature, how quickly we have to get to second reading, how quickly we have to go to committee, and how quickly we have to go to third reading. I don't know what the answer is, but I think there has to be an answer about a process on a bill and how you debate that bill and how you bring forward recommendations over and over and over again.

I will do this research sometime. I've seen this government table legislation even just in the two and three-quarter years that I've been here, and they've not proclaimed it. I can't even imagine how many bills that have been passed in this Legislature – the Alberta Health Act comes to me immediately because it was a number one bill in this Legislature, and it hasn't been proclaimed. There is a ton of legislation that has been passed in this Legislature that hasn't been proclaimed. We're also seeing bills that have been rushed through second reading, rushed through committee, rushed through third. The LG comes in here, proclaims the bill, gives it proclamation, and it's back in the following sitting being either rescinded or something like that.

I'm sure that the government has some ideas. After all, they're the government. They're the government that claims that they listen and consult Albertans and they've got it right. I would think that's maybe something that we can discuss as a caucus. The Premier has said that she's open, she's accountable, and she's transparent and has repeated that over and over and over again. She also wants to talk about how government is run in a different way. That kind of opens up the door so that we as the Official Opposition, not only ourselves but the Liberals and the NDP, can have the opportunity to offer the Premier some advice, whether it's through Members' Services or one of the other committees, on

how we can make this process a little easier on everybody so we're not sitting until I think it was a quarter to 1 last night for some of our people. I know the leader and I left at a quarter to 12, and we still hadn't finished the Education Act.

Madam Speaker, I think that's a role that the government can do. The government House leaders can certainly start negotiations, the Premier and the Leader of the Official Opposition, I'm sure. I know my leader is a very bright woman, that she would be able to come up with some great ideas on how to get this legislation through at a much easier pace where we're not sitting 16, 18 hours a day.

The Acting Speaker: Thank you.

Are there any other members who wish to speak under 29(2)(a)? The hon. Member for Drumheller – no. Wait a second. Cardston-Taber-Warner.

Mr. Bikman: Both are nice places, but home is Cardston-Taber-Warner.

I appreciate the opportunity to rise and to ask the speaker a question, realizing that she's in almost a kind of a conflict of interest situation in the sense that, as you correctly identified and I understand it, many of your supporters in an urban riding are oil companies and industry people. What prompted you to rise and speak to this issue of the rights of the rest of Albertans, and how are you going to handle that?

Mrs. Forsyth: Well, another good question. I think it's about listening. It's about listening to what your colleagues have to say, what they're bringing forward as far as concerns about what they're hearing. I think that's what makes this province successful, if you start not only taking what's happening in your riding but what's important to other people in their ridings. Let me give you an example: what happened in Strathmore-Brooks with the XL Foods plant. I can still get my meat at the grocery store, but to hear his concerns opens it up to a whole... [The time limit for questions and comments expired]

The Acting Speaker: Thank you, hon. member.

The hon. Member for Calgary-Buffalo.

Mr. Hehr: Well, thank you, Madam Speaker. It's a privilege to be able to rise and speak on second reading of the Responsible Energy Development Act. I've had a chance to go through the bill, not in as much detail as I would like, but I do have some thoughts, and some red flags have appeared to me. Hopefully, the minister will be able to assuage my concerns on some of the questions that I will bring up as pointed questions, or hopefully he can fill in the blanks for me as to what the process will be down the line. This is a very important bill not only for energy companies but for all people of this province because there's no doubt that moving to a single regulator has implications.

4:20

When we do our energy development acts or anything related to the energy industry, we should always take a pause back, and we should look at this not only as to whether industry has a perspective. We have Joe and Jane Albertan who have a perspective. We have people intricately connected to the environmental movement that have a perspective. We have landowners that have a perspective. There are a whole host of competing interests here in this province, in fact I would suggest throughout the world, in our development of our oil and gas resources and what the correct process is to see projects go through and what the different cleavage points are, what the

different challenges are, and what the correct balance is on how we're going to balance our environmental responsibilities as well as look after our economic interests.

It's at that point where we look at – there is a continuing challenge for Alberta in the global sphere in that we need to create a responsible energy development right here at home. We need to continue to have a social licence to produce our energy products and to have our oil sands run correctly and efficiently and to the highest environmental standards. I honestly believe that Alberta should be leading the way in this regard.

We have tremendous challenges facing us. In my view, carbon is a serious issue. We should do our best to maintain a reasonable balance in our development as well as what we're doing to the environment. In my view, things are going to get harder, not easier, in this regard. We'll have continued challenges from the rest of the world. I would think it would be in our best interests, given the nature of our economy and the nature of our reliance on nonrenewable resources, not only to pay today's bills but hopefully with some work on the fiscal structure save some of this one-time resource for future generations to be extra vigilant on the environmental side.

I would say it should be a goal of this Legislature to create some of the most forward-thinking and – I don't want to use the word "punitive" because that's not the correct word – environmentally supportive legislation out there. It would give us a chance to look at the rest of the world and say: "No, we are doing it better than anyone else. No, we do have the most progressive legislation. No, we're ahead of the curve on this. So don't look at Alberta as being a laggard on this; look at us as being a leader." I think we should look at that in all of our bills and our acts that are coming in on the energy front. We need to protect what is ours by doing what is right on the social responsibility side. I think if we do that, business will take care of itself.

If I look at this act, again, back to what I said at the beginning, it's a balance of all sorts of perspectives, whether these perspectives are having a chance to be heard, a chance for their opinions, their expertise, their challenges, whether it's with drilling policy and/or land policy. I believe this can be done through a one-window shop, and I'm not so certain that it has been at this time. Maybe the minister can fill in the blanks.

If I can start with some of the questions or at least things I would hope the minister will enlighten me on, we seem to have changed the legislation somewhat from where we were before under the ERCB and other acts, as to who could apply and who had standing and who had an ability to bring thoughts and ideas to the review, to where it is today. You see one change in the legislation, and it says that only people who are directly and adversely affected can make complaints to the new regulator. Clearly, this has implications to environmental groups, other organizations that wish to intervene or bring knowledge to an application. This seems to be – although it may be convenient and it may in fact speed things up, it doesn't necessarily say to me that we're looking to have a broader view of what in fact is happening.

This is really highly concerning. The old act had an ability to look at the broader public interest. The public interest does have a conception, and it is a loose conception as to what that might be. It could look at all factors. This has been removed since the previous legislation. I find that concerning. The public interest is trying to look at all things that are important to this great province, not only the air, the water, the land, the carbon, and the like but also our economic best interests. It's balancing these things out. All those things make up the public interest. It's tough to define exactly what the public interest is, but it includes a whole host of factors,

and now this has been removed from the legislation. This gives me concern.

Maybe there is another forum or a fashion where the public interest can be discussed, but that gives me concern. Maybe the minister can inform me as to why the public interest component of this was taken out. Maybe there is another forum or mechanism within the act where public interest can be discussed or more people can take part. Nevertheless, it doesn't appear that that is in there.

A direct question to that is: why would the new regulator not be able to consider the broad interests of all Albertans in the public interest and now must only consider the narrow interests of those directly affected? Although that may speed things along, which is of course what we want to do in any application, we don't want to cut corners, and we may be cutting corners by using some of this language in the act. It may be convenient to keep people from having a forum to discuss things.

I note the Member for Rimbey-Rocky Mountain House-Sundre spoke very passionately about people being cut out of the process. I'm certain that he wouldn't want that to happen as it did in the cases that we saw in 2007 when his group was making applications on what was happening in the transmission line applications. I see some correlations there as to what may happen, and I hope the minister can enlighten me or tell me where I'm missing the pieces that will be available to people to do that.

We also see that a large amount of the details of this will be contained in regulation. Much of the bill is yet to be developed. Only 25 to 50 per cent of the rules are in this new legislation. This leaves to me many questions as to how this will actually work and why these rules are in regulation and not in legislation. I've said this before: what the large print giveth in the actual act, the small print can taketh away in the regulation. It concerns me when we're moving the bulk or at least up to 50 per cent of this act into regulation. It leaves a lot of wiggle room where the ministers or other bodies could have a great deal of influence, and then all of a sudden by ministerial order these regulations are changed, different rules are applied, and not really everyone has an opportunity to understand what those changes are.

Obviously, this was brought up by my colleagues from the Wildrose. How will landowners be consulted on projects that are on adjacent lands? What about hearing costs? What about the rules for how the regulator will determine what is noncompliant? This is an important one. You know, we talk about noncompliance of organizations who don't follow the rules. There's no determination of what noncompliance is. There's no determination of what the penalties are for noncompliance. Does it simply mean a company will get, "Oh, you've got a noncompliance sticker beside you," but continue doing business? What does noncompliance mean? What does actually happen to an organization that is found in noncompliance? I have no direction as to what noncompliance is in the provision of registered surface agreements. That gives me concern. If I don't know what noncompliance is, how can it be enforced?

4:30

There also seems to be some lack of independence on this. Section 67(1) allows the ministers of Energy and Environment to set priorities as well as guidelines. The government can determine whether the regulator is being compliant with government policy, okay? So does government policy, then, change the actual rules that are being enforced by the regulator? Can government policy of the day, whatever that is, simply change the rules on the fly, lessen or strengthen regulations that people have made, and the like?

Furthermore, the regulator has to turn over any documents to the minister upon request. This appears to have privacy implications. It doesn't seem to me to create the independent arm's-length organization that we're looking for. Those things are concerning to me.

If I can continue to go on on some of these things, in particular this doesn't appear to be an independent regulator. The new regulator appears to be simply another arm of the government. Section 67(1) of Bill 2 provides that the ministers of Energy and Environment and SRD can tell the new regulator what its priorities should be, what guidelines, programs, policies it should follow, and can ensure the work of the new regulator is consistent with the work of the government. Maybe that's good, but it also gives me alarm bells. How independent is this new organization? To me, from the reading of it, not that independent. It causes me concern.

Section 67(2) provides that the new regulator has to do what it's told by the ministers. Section 16(1) also provides that the new regulator has to give these ministers any record or piece of information they want, including personal information. [Mr. Hehr's speaking time expired] Done already?

The Acting Speaker: Thank you, hon. member.

Under Standing Order 29(2)(a) are there any members that would like to question or comment? The hon. Member for Calgary-Shaw.

Mr. Wilson: Thank you, Madam Speaker. Thank you, hon. member, for your speech on this bill. I was curious. You mentioned that you are looking to include progressive environmental policy in all legislation. I'm wondering if you could expand on that concept, please.

Mr. Hehr: Well, I'm not sure if I can expand on that. What I can talk about is a broad concept of what I think would be an energy leader. A province such as ours has much vested in the success of our oil and gas industry. In my view, Alberta's immediate prospects as well as many of our future prospects, at least for the next 50 years, are directly tied to this industry and how it works, how it operates. We all know we rely on the \$12 billion we currently have coming into the public purse from royalties. We spend it all on paying today's bills. Clearly, that is important to us, to seemingly keep operations going on a day-to-day basis.

I'm also not so sure how Alberta will be able to transition from an oil and gas industry, so we should try to keep it going as long as possible. I think we happen to be in the best business at the best time. People pay \$100 for a barrel of oil. Allegedly there's some money in this business, Madam Speaker. That's a good thing. We're in the right place at the right time. But to ensure that we have that social licence, we should have the best environmental standards in the world, okay? This has a business component, too, not just an environmental component. We should do the right thing in this regard, you know, to not only look after our air, our land, our water but, as I mentioned earlier, try to reduce our carbon footprint.

By adopting legislation that is leading the world, and I mean this on all fronts, it will protect our industry. It will give us that social licence. I think, over the course of the last five years, we've had a difficult public perception. Rightly or wrongly – I'm not saying that it all has been right – it has been heaped on Alberta. By going forward in that new, bold direction of leading the world in this type of legislation, I think it will be a benefit to this great province and will allow us to have our social licence longer and extend the life of our industry.

Thank you, Madam Speaker.

The Acting Speaker: Thank you.

There are still a few minutes left. The hon. Member for Lac La Biche-St. Paul-Two Hills.

Mr. Saskiw: Thank you, Madam Speaker. I heard your comments, and you mentioned that in the act there was nowhere that stated that public interest should be included in the legislation. I noticed that as well. Every single reference was taken out. I think some of the naysayers may say that public interest is too broad, and you have to look at social and environmental factors. But, of course, there is loads, decades of jurisprudence. Do you have any comments on why they may have taken public interest out of this legislation?

Mr. Hehr: Public interest is difficult to deal with. That's why, okay? It's not easy to incorporate public interest into one regulatory system like this. I think it can be done, but by no means is it easy. If you want to I'm not saying appease the gas industry – but you understand that there are challenges there. I think they've cut a few corners here. I think this can be done with a public interest component, and I don't know if we've worked as hard as we can to get that in.

The reason why it's out, in my view – maybe the minister can enlighten me – is because it's hard. It's really hard to get what is in the public interest. We all discuss the public interest in here, and we can't come to a handle on it. So, you know, that's a difficult thing to have in a regulatory body. But on a position of allowing people to have an opportunity to be heard, which is half the battle in this business, you give people an opportunity to be heard, then they feel better. They feel they at least have not had their rights trampled on, they've been part of the process, and hopefully they learned something: why their view isn't the only view out there and how it's a balance.

I thank you for that question.

The Acting Speaker: Thank you.

Being as there are only five seconds left, I think we'll move on to the next speaker. The Member for Rimbey-Rocky Mountain House-Sundre.

Mr. Anglin: Thank you, Madam Speaker. To my colleagues across the aisle in this honourable Assembly: the reason I am here is because of bills like this, and if you want to get rid of me, you've just got to get it right.

An Hon. Member: We'd like to.

4:40

Mr. Anglin: I know you'd like to. I am offering you the chance. I will gladly take that offer up. But I will tell you this in good humour: I made life difficult for some of the members here in rural areas. Some of those elections were close, and they were because of bills like this.

The reality is this. Time and time again this government has started out on a track to do something good. I believe the intentions were well meaning and in good faith. I don't doubt that. But time and time again they've not been able to look at the results of what they've done and say: "Wait a minute. We need to make adjustments."

For me it started with something called Bill 46, the Alberta Utilities Commission Act. In that act, which created a new commission very much like this – it's right in line with this – what happened was that there were a few things that jumped off the pages that never got resolved. In that act they had one provision that said that a property owner was not allowed the right to be represented by legal counsel. It's still in the act.

We move forward and we go into these other acts, particularly the Land Assembly Project Area Act, which, thank you very much, this former government, I guess the last sitting of the Legislature, did make some changes to before I got elected. They didn't make all the changes that were asked for, but there was an attempt. But the Land Stewardship Act – some of you may know it, some of you may not realize – was the demise of many PC members. That still stands in many ways. We could argue whether it's real or imaginary, but the fact remains that, when taken out in the public and allowing the public to take a look at what the law says, the public is smart enough to make up their own mind. It was a very good representative of the former government that went out to try to defend that, who is no longer here because of that bill.

The point I'm trying to make with regard to this bill is quite simple. Industry would like to see a streamlined regulator. I agree with it. I can tell you this: landowners agree with it. We do. I can speak for them in many ways because they asked me, and they tell me to take their message here. They want a streamlined regulator. The only thing they really want in addition to that is the balance that a streamlined regulator should have, that they would protect the rights of landowners, protect the rights of farmers, and protect the rights of small businesses at the same time that we get rid of those regulations that cause all this backed-up approval process for no good reason.

I will tell you this. It gets offensive sometimes when I get the criticism that landowners caused the problem. Under the Alberta Utilities Commission Act, when we were going to hearings – I have a lot of experience at hearings – it's quite interesting that industry a lot of times is their own worst enemy in dealing with these regulations. Government doesn't really help very well at all, mainly because it backs itself into a corner with the regulations.

Let me give you an example. When we went to a hearing dealing with the transmission lines, it was the landowners who brought a motion forward to the board and said: we want you to make a decision within 180 days on a transmission line. That's all the motion was. The law said at the time that the board must make a decision within 180 days. The industry members, including the government, the AESO, and the Department of Energy, opposed the motion, but that's what the law said at the time. That law eventually got changed to extend the time frame. Interesting.

I brought a motion forward at a hearing, and the motion was a simple motion. We wanted to compel Alberta Environment to show up at the hearing to answer questions since they were part of the approval process. In other words, it was the landowners who were taking the step to streamline the process. I tabled a copy of an e-mail from one of the board lawyers, the lead board legal counsel, to an outside source: how do we get around this motion? How do landowners take a board seriously when that happens? Jurisprudence says that once you strike that board, that three-member quasi-judicial board panel, they are supposed to be the judge. They're not supposed to go outside the courtroom. They're supposed to make their decision. They have legal counsel there to help them.

We have an issue here dealing with two items with this bill. The first issue is the legal writing in the bill. The second issue is regaining the public trust. That's yours to take, yours to give away, but the public trust is not with you at the moment, not out in the rural areas.

I'll tell you something. There's probably not a rural farmer in my riding that doesn't make an income off the oil patch. Many of these farmers have jobs as welders or well drillers or with oil field service companies. They work in the oil patch. They live in the oil patch. They farm in the oil patch. These people know the meaning of property rights, and property rights have been watered down

step by step by step. What we see here is not a major step, but given all the steps that have taken place, we've taken the next step and gone a little bit less with property rights. I can't support that, but I want to support the streamlining of regulation. I want to go back to my constituents and say: "Hey, listen. We streamlined regulation, and we protected your rights." That's what they want to hear.

Let me just kind of go through the bill a little bit. A lot of the people did, but it's really important. I witnessed the very first time the public interest test was taken out of some of Alberta's law. Alberta's laws had the public interest test. This is the public's resource. It is a broad definition. You can put parameters around it, and it used to be, in the electric world, that that parameter was that when we invested in electricity, there had to be enough investment so there was value in the future but not so much investment that there wasn't value for the public today, because the public is paying for it. The same is true in this.

All laws that you pass, all legislation that you pass takes rights away from people, citizens, in one form or another, so they should have a beginning where they take those rights away. In other words, when you pass a regulation – well, we don't pass regulations. When a regulation is made on a speeding limit, then I'm not allowed to exceed that speeding limit without a fine or some sort of offence, but I get my right back at a certain point. In other words, they can give me a speeding ticket, but they can't throw me in handcuffs and take me to jail for going 10 kilometres above the speed limit. You have a limit to the law. These bills here need a limit, and you didn't give it a limit.

When you look at the board's authority, you gave the board unlimited authority. That's where one of the major problems happens with these bills. What you want the board to do is meritorious in many ways. You want to streamline the process. I do, too. But if you give the board unlimited power, then what you do is you give the board, the commission, or whatever you want to call it the ability to abuse. Unfortunately, we have experienced that in this province, where people have been abused.

I'm going to give an example. We often look at landowners as being just the farmer, that rural person. I'm going to tell you about an oil field service company right here in Edmonton – maybe you Edmonton MLAs should pay attention to this – that was looking to consolidate their company right here in Edmonton. Good business for Edmonton. They bought a quarter section on the southeast side, that they were developing. To continue their development, they were going to keep 30 acres for themselves for their business, develop the rest, sell it off, and sort of break even, make a profit, or reduce their cost to develop their property. A smart business plan, a smart move. Lots of people have done it.

They called my office up. They didn't call your office up. They came to see me because it dealt with property rights, because a business is property rights. I had no idea why this businessperson was coming down to Sundre when they were from Edmonton. He explained to me what went on. There's a dugout on that quarter section. For those who are not farmers, that's a watering hole. I actually went to that section of land, and I looked at it. You can look at that. It's like: yeah, a farmer in 1960 dug a hole for watering the cattle.

He wanted to reclaim that. Now, under our current laws, under Alberta Environment, which this is going to streamline and doesn't correct, by the way, you have to reclaim that dugout. You have to reclaim that wetland, and there's a procedure for reclaiming wetlands. We all know what the procedure is. So he hires an environmental consulting group. They come out. They do their plan. It's registered as a class 3 wetlands. It's a man-made dugout. It's dry. There's no water in it. He gets a lawyer involved

to do all the legal work, which is very expensive, some firms more than others, for you lawyers who are here in the room.

But the reality is that he thought he was doing everything right. For his efforts, following the guidelines that we've followed in this province for the last 30 years, he could donate \$32,000 to Ducks Unlimited to reclaim that wetland. That was the plan. Members of SRD showed up and said: "No. We're not going by that plan anymore." This gentleman said, "What are you talking about?" They said: "That's ours. We own that wetland. The government owns that wetland." His lawyer didn't know about it. The environmental consulting agency didn't know about it. This guy was livid. They told him that they wanted 10 per cent of his development. His development was \$30 million. They wanted \$3 million from this company if they wanted to fill in a dugout.

4:50

That's what started the problem, and he showed up in my office. He comes to my office, and he says, "Where did this happen?" I flipped my computer around and said: "Land Stewardship Act. Go right to where it amended the Public Lands Act. There it is. They took away your right." But that's not the end of the story. It was the abuse of the bureaucrats to come up with a 10 per cent penalty without any basis to come up with that penalty. The only thing I could do for him was to say, "Welcome to my office" because I knew a business would show up sooner or later.

Farmers get the idea about property rights because they deal with oil and gas all the time, but many of these businesses, ironically an oil service company, find out that the government is violating what they thought was their fundamental property right. You can see what's happening around the province. There's inconsistency, and what we want is consistency. Oil field companies, developers: they want clear-cut rules that they can go by. They want to know what the rules are before they even make the investment. They want to be able to plan on the rules and count on the rules, and so do landowners and property owners. That's all we want.

When you look at this bill, it doesn't do that. The first thing that is missing is the public interest test. It's been taken out. That public interest test, I tell you, must be put back in. You have to define some sorts of parameters that will define the public interest test. That's so important. One is on the resource side; that's in the public interest. On the property rights side that's in the public interest. They need rules and regulations. Say that I bring an oil field company in on my property to drill a well, run a pipeline, whatever. I sign an agreement that they do this, and they do it right, and then they sell that well. They sell that pipeline. A new company comes in and violates this. This bill makes an attempt to address this, but it misses.

I'll give you another story about this. Five farmers west of Rimbey contacted my office after I got elected. They are the kind of landowners we want in the oil patch. They welcome pipelines and wells coming onto their property. They work with them. We had a pipeline from Keyera come across their property, quarter sections worth about \$340,000 each. They get a rent, loss of use, for having that pipeline across their property, but the animals can graze. They have multiple agreements with different companies. [Mr. Anglin's speaking time expired] I'm done? I was just getting started.

The Acting Speaker: Thank you, hon. member.

Standing Order 29(2)(a). If any member would like to comment or question the Member for Rimbey-Rocky Mountain House-Sundre. The Member for Medicine Hat.

Mr. Pedersen: Thank you, Madam Speaker. I'd just like to ask

the Member for Rimbey-Rocky Mountain House-Sundre: in your opinion, why do we keep seeing bills like this coming across that are presented in this fashion, yet there are so many what you've identified as holes and places to make changes.

The Acting Speaker: Thank you.

The hon. member.

Mr. Anglin: Thank you, Madam Speaker.

An Hon. Member: Finish your story.

Mr. Anglin: I'll get to that story, but I want to answer that question, and I'm going to use my story to finish that question. If you didn't hear the question, the question was: why is this continually happening? That's a very good question because it appears that there's bad consultation in the process.

To just kind of bring it all together, I was telling that story about the farmers, the landowners who want to have oil field workers and oil field companies come onto their property. These people signed a lease agreement, and the general contractor did not pay the subcontractors. I guess that happens. But each farmer out there with a quarter section worth \$340,000 found a \$6.4 million lien on each section. They're not legal minds. It devastated some of them. One of them lost a land deal. Another one lost his fertilizer. He had used his land as leverage to get his fertilizer, and that fell through as soon as the bank said: you've got a \$6.4 million lien on a \$340,000 quarter section. Their recourse? None. Keyera said: "Go away. We don't care. It's not our problem. It was the general contractor." What happened to their rights? What happened to their rights?

That's what's going on here. Why is that continually happening? You need to ask yourself that question. I'd love for you to fix this bill and get me out of this Legislature, but I'm here because of property rights. Make no mistake about it. I'll be there if you pass this law. I will tell you that the way this is right now, I will be out at every rural hall again telling people what's in this bill.

It was brought up to the other member there – and it's really important – that this is not an independent board. This is a board that will take its direction from the minister. You can't have that. You have to have independence. When they make a decision that's wrong, there has to be due process of law. They just need legal recourse, and it can be administratively. It doesn't necessarily have to be the courts. You have to give some guidance in this legislation so that if I am wronged, if a company is wronged, they have recourse to say, "How can I get a remedy to make me whole?" and have a fair process by which they have that decision made.

Right now the way this is laid out is that the people who would make a bad decision, whether it's intentional or unintentional – that's not the point – get to hear the appeal. I will tell you that it is very difficult for people to admit they made a mistake, and that is a real problem for landowners, for property owners, for business owners when they are dealing with the regulator. It is so important when we look at that.

There's another issue in this provision here that I find troubling, and it has to do with the rules of evidence. The rules of evidence don't apply as in court, and that's, actually, generally a good thing. We want boards to have a lot of flexibility to allow evidence to come in, and from jurisdiction to jurisdiction to jurisdiction – and I've testified on a lot of industry boards for utilities – boards have that authority. I'd never seen it abused until I came to Alberta, and that's unusual. I don't know why that is. That's something that you have to ask yourself when you're looking at that provision. That provision is a provision in law that

is designed to give a board flexibility. I've seen it in Alberta where they've actually used it to deny evidence from coming forward. That actually has happened in the electricity world. That's one of the reasons we've got such a crazy problem in that history of the world.

You could end up with that same problem here. That's what leads to landowner frustrations. I believe that in this bill you have the exclusion of a judicial review, where the board has the right just to reject the viewing of evidence. I have to tell you that we've had a couple of violent cases in Alberta where people have been killed over the frustration of dealing with these regulatory boards. Alberta has had way too many. Way too many. One is too many. We've actually had two in recent memory, in my recent memory. In my own experience we had a 70-year-old lady – two hip replacements, on her way to cancer treatment – try to actually attack a board lawyer. Nobody asked the question – I mean, it all got reported. What would prompt a 70-year-old lady of ill health, poor physical condition to take on a 30-year-old board lawyer? She tried. If you asked her, what she said was: I was protecting my land. That to me is unacceptable. The whole thing is unacceptable.

5:00

The Acting Speaker: Thank you, hon. member.

I recognize the Member for Edmonton-Beverly-Clareview.

Mr. Bilous: Thank you, Madam Speaker. I'm honoured to rise and speak to this bill. I have quite a few things to say, so I'll jump right into it. I'd like to note that there's quite a lot in this bill to digest, as some of my colleagues from the Wildrose have iterated, so I'm sure there'll be a lengthy discussion on this bill.

This bill charges the regulator, who reports to the Minister of Energy, with the sole responsibility for environmental oversight. This seems to be a misplacement of responsibility as the Ministry of Environment and Sustainable Resource Development already has the policies, capacity, and expertise to support the regulation and oversight of energy projects when it comes to environmental assessment and monitoring. The Ministry of Environment and Sustainable Resource Development has, literally, hundreds of compliance officers, approval engineers, and technical support staff. At the moment it's unclear if this expertise will be automatically used by this new regulator.

I want to talk a little bit about some background from previous talks of a single regulator in the MacNichol report. The push for a single regulator in this province goes back to 2002 when Vance MacNichol made a report to government that ultimately concluded that the approval process for energy projects was not as efficient as it could be due to the involvement of these three separate departments at the time: Energy, Environment, and Sustainable Resource Development.

In 2004 environmentalist Martha Kostuch revealed that the government had been working on the plan for a single regulator since 2002. She echoed the concerns of many within the environmental community that the formation of a single regulator would contribute to rushed reviews of energy resource activity applications and would overlook legitimate environmental concerns.

The issue of the appeal process remains a deep issue of concern within the currently proposed Bill 2 as it did within the MacNichol report. In the 2002 MacNichol report the recommendation was made that the single regulator would not only be responsible for the approval of energy resource activities but also would be responsible for dealing with any appeals made with regard to the approval of energy resource activities.

Unfortunately, this proposed legislation as well allows the regulator to determine whether an individual is directly or

adversely affected and can decide not to hold hearings if they deem that unnecessary, which is a cause for concern.

I'd like to talk a little bit about the mandate of the Alberta energy regulator and pace of approval for the energy resource activities. The mandate of the regulator is "to provide for the efficient, safe, orderly and environmentally responsible development of energy resources in Alberta through the Regulator's regulatory activities." That's in section 2(1)(a). This refers to the efficient development but begs the question as to whether Alberta's regulatory approval process resulted in consultations that were inefficient or too long. Further, it's not necessarily true that Alberta's economy would benefit from a more efficient approval process for oil and oil sands gas and coal projects.

Some economists and researchers are challenging the truism that ramping up production of oil in the oil sands by streamlining the regulatory process with a single regulator will be to the benefit of Alberta's economy and to Albertans. In other words, there are other factors, including a potentially saturated market, that need to be considered when dealing with energy resource activities as defined within Bill 2. For example, this past April Randy Ollenberger, with BMO Capital Markets, said that "we have more oil moving into the system than the pipeline system in North America was designed to accommodate." That was taken from the CBC business news on April 20, 2012.

Unfortunately, the issue of the prioritization of energy projects is a blind spot in this bill. Of course, the priorities for development may change over time according to political and economic factors, but it remains to be determined what expertise would be represented on the board of directors that will respond to complex economic and environmental factors. In general, however, it remains doubtful that long-term economic development will be served by the efficient approval of the energy resource activities.

Until the government can clarify what its desired membership on the regulator would be, it is impossible for Albertans and the NDP to know whose interests will be represented or under-represented at the table of the regulator.

The hon. Member for Edmonton-Rutherford underlined the mandate of the regulator, saying that the new process could shave months off of decisions regarding energy projects. Stakeholder groups would like to see a system that is nimble, that is responsive, competitive, and that is efficient: quoted from CBC news, October 24, 2012. The minister's comments at a press release regarding the bill and the bill's stated mandate for the regulator take for granted that faster development of Alberta's energy resources is necessary in the current economy. Although this assumption seems to be at the heart of the MacNichol report from 2002 and the current Responsible Energy Development Act, it remains to be proven that what Alberta needs is a streamlined approval process and a potentially handicapped environmental review process.

I'd like the body to consider what happens when supply is greatly increased, what happens to the price in the market. Looking at the pace of development, back in 2009 Premier Lougheed is on record stating his concerns about the pace of development in the province, speaking about a very high-cost economy. He told reporters he'd like to see only one surface mining project at a time, with lower cost underground bitumen recovery projects proceeding at a relatively faster pace. To quote former Premier Lougheed, "That will be hard to accomplish in the short term, because so many commitments have been made, but I would hope, in due course, the new government in Alberta would move themselves more to a more uniform development." That's taken from the *StarPhoenix*, July 15, 2009.

Again in 2011 in an interview on the CBC's *The Current* Mr. Lougheed stated his concerns over Alberta's current pace of development in the oil sands.

I worry about it because the problem with it is that the oilsands go too fast, the costs go up. And when the costs go up, it doesn't just impact the people in the oilsands in the Fort McMurray area – it impacts the people all around the province . . . but my view is that we have to be very careful that we don't let the oilsands impact negatively other parts of our province including our agriculture and our agriculture processing.

Mr. Lougheed wasn't only concerned about the local effects of the oil sands on other sectors. He was also thinking about what the approval of projects means for the job market in the energy sector.

We should be refining it in Alberta and we should be making it public policy in the province and hopefully the new Premier, whoever he or she is, will deal with that issue pretty quickly.

That was taken from CBC'S *The Current*, September 13, 2011.

This last quote redirects the issue to where it should be: public policy. Although this bill deals with the purview of the regulator and specifies that the regulator shall give the minister at least 120 days' written notice before making a rule under this act, the bill does not articulate the way in which the regulator will respond to the policies set forward by the government, the Minister of Energy, or any other government departments that touch on the issue of economic, environmental, and social impacts of resource development. In other words, this bill sets up an empty structure with no sound public policy to fill it and guide its decision-making.

The Pembina Institute is also on record saying that Bill 2 is incomplete when it comes to policy direction and the resolution of policy-conflicted proposed projects. The managing director of the Pembina Institute, Chris Severson-Baker, says his organization is unclear on how stakeholders beyond industry and government will be engaged in policy discussions on energy development. "The single regulator piece has been fairly well developed, but the piece that hasn't been fully designed yet, and that we're most interested in is the policy management office." That was taken from the Fort McMurray news on October 26, 2012. In other words, it's not simply enough to have an efficient or speedy regulator when you have no strategic plan for sustainable energy resources development.

In addition to the lack of a clearly defined relationship between public policy and the regulator, the bill does not go into enough detail regarding the question of membership. The regulator is made up of a board of directors "consisting of a chair and at least 2 other members appointed by the Lieutenant Governor in Council," section 5. The minister will also approve the board's appointment of a chief executive officer "responsible for the day-to-day operation . . . and affairs of the Regulator," section 7(1)(a). Since this membership making up the regulator will be responsible for the establishment and maintenance of policies and procedures, addressing identification, disclosure, and resolution of matters involving conflicts of interest of directors, hearing commissioners, officers, and employees of the regulator, the regulator will essentially act as a self-policing body with no outside scrutiny.

5:10

More generally, the issue regarding the membership of the regulator extends to the issue of interest because the bill does not offer any details regarding the balance of expertise represented on the regulator. Instead, the Lieutenant Governor in Council is solely responsible for choosing the board of directors, section 5(1), and the roster of hearing commissioners, section 11(1). This description of membership and organizational structure does not go into any detail regarding what academic, political, economic,

or governmental expertise will be sought for membership of the regulator.

Moving into hearings, section 32 of the bill does not give any detail regarding notification to individuals who may be affected by an application to the regulator. "A person who may be directly and adversely affected by an application may file a statement of concern with the Regulator in accordance with the rules," section 32. This section should be amended to include the responsibility for the regulator to ensure that applicants have notified individuals who may be potentially directly and adversely affected of their plans for an energy resource activity. Only then will individuals have the information necessary to determine whether they consider the potential energy project to have a direct and adverse effect on themselves.

The bill states that in cases where a hearing has not taken place, "the Regulator shall publish or otherwise make publicly available the Regulator's decision in accordance with the rules," section 33(2), implying that there will be no public notice made available before a decision has been made if a hearing does not take place. This puts an unreasonable burden on any potentially affected individual to become informed of an application for an energy resource activity. In general there needs to be greater clarity in this bill on when a hearing will be required on applications for an energy resource activity.

Regarding the review process, after giving a decision notice to the applicant and any participant in the hearing, if there was a hearing, the regulator will then publish or otherwise make known its decision. After this happens, an eligible person may make a request for a review. This generally covers a wide range, but there are two problems with this request for a review process. "The filing of a request for regulatory review does not operate to stay the reviewable decision," section 38(2). This means that though there may be significant and legitimate appeals in the process of being filed and heard, the decision of the regulator stands, and the applications can continue to move forward.

Second, the regulator is responsible for the whole review process as it is responsible for the initial decision. In other words, there is no third party that vets and hears review applications, which means that the regulator can simply throw out requests for a review for a number of procedural, general, and subjective reasons if it doesn't deem them relevant or worthy of being heard. That's taken from part 2, division 3, section 39(4).

- (4) The Regulator may dismiss all or part of a request for regulatory review
- (a) if the Regulator considers the request to be frivolous, vexatious or without merit,
 - (b) if the request is in respect of a decision on an application and the eligible person did not file a statement of concern in respect of the application in accordance with the rules, or
 - (c) if for any other reason the Regulator considers that the request for regulatory review is not properly before it.

With these general and broad-sweeping reasons for dismissal at hand, the regulator could easily avoid any review process, and that again speaks to the lack of public consultation and public input. There should be a third party that's responsible for considering a request for review.

Regarding the appeal to the Court of Appeal, decisions of the regulator can only be appealable to the Court of Appeal "on a question of jurisdiction or on a question of law," part 2, division 5, section 45(1). On the other hand this, regrettably, means that other than internal reviews of decisions or Court of Appeal appeals on jurisdictional matters or a question of law,

every decision of the Regulator or a person carrying out the powers, duties and functions of the Regulator is final and shall not be questioned or reviewed in any court . . . to quash or set aside or otherwise, to question, review, prohibit or restrain the Regulator or any of the Regulator's proceedings.

From part 2, division 6, section 56. This essentially means that when it comes to questioning the rationale for decisions, appellants do not have access to the courts of law.

Finally, regarding fines, the increased upper limits for fines, \$500,000 for corporations and \$50,000 for individuals, is a welcome amendment to current sections of energy laws dealing with fines, but when it comes to megaprojects, this upper limit of fines is still too low to be an adequate deterrent for companies and individuals to ensure compliance with environmental regulations.

Although the upper limits are higher in fines for noncompliance than currently dictated by the energy resource enactments, these potential fines are given a loophole in this bill. The fines will not be levied if a person establishes on a balance of probabilities that the person took all reasonable steps to prevent its commission.

The Acting Speaker: Thank you, hon. member.

Standing Order 29(2)(a). The hon. Member for Lacombe-Ponoka.

Mr. Fox: Thank you, Madam Speaker, and thank you, my friend from the wonderful riding of Edmonton-Beverly-Clareview. You know, I've really enjoyed listening to what you had to say here today, and I'd actually like to hear a little bit more. I'd like to hear what processes you'd like to strengthen or see put in place and the benefit that they'd have for the province of Alberta. I'd like to hear some more of your comments on that.

Mr. Bilous: Well, thank you very much, Member for Lacombe-Ponoka. You know, I think part of the issue at hand here is that we're taking what I like to refer to as a megabill because we're taking different bodies and streamlining them into one. There was due process for projects that went through several different steps, from looking at the environment to ensuring that there was a public discourse.

The concern that I have is that we're going down to one regulator that has sweeping authority. We've talked about the fact that it's the minister who appoints this regulator, and that causes grave concern for myself and for the Alberta New Democrats. You know, in order to ensure that the pace of development continues at a healthy pace, that we don't overheat our economy, there are steps and processes that should be in place to ensure that all the different members of the public and industry are represented, that they have a voice, and that there is due process before projects are approved.

Thank you.

The Acting Speaker: Are there any other questions or comments under Standing Order 29(2)(a)?

Seeing none, we'll move to the next speaker, the hon. Member for Cardston-Taber-Warner.

Mr. Bikman: Thank you, Madam Speaker. I appreciate this opportunity to speak about the Responsible Energy Development Act. For a long time now our regulatory approval process has been bogged down in a quagmire of regulatory delays and burdensome bureaucracies. I was fascinated to hear the stories that our leader told today, kind of horror stories, didn't you think? Quite shocking.

This act appears to be designed to make our processes competitive with our neighbours', restoring energy companies'

faith in Alberta and making it easier for them to plan and initiate new projects in a cost-effective way. I think most of us who recognize that we rely on businesses to create wealth-producing jobs and add revenue to provincial coffers realize that this needed to be fixed, in a nonveterinary way, I hasten to add. I didn't think anybody was awake over there. [interjections] I said that I think this needs to be fixed in a nonveterinary way.

In our eagerness to rectify wrongs of the past, however, let us not discard the good parts that protected the rights of all stakeholders. Whether intentional or not, certain landowner rights will be removed, specifically the section 26 standing rights under the Energy Resources Conservation Act, if the current form of this bill proceeds without amendment.

5:20

Part 2 of the bill, dealing with hearings and reviews, is very problematic. It is this entire section that reduces landowners' rights. Currently section 26 of the Energy Resources Conservation Act describes a clear process of appeal for those who might be affected by an ERCB decision, including proactive disclosures of relevant information by the regulatory body and a right to a hearing by an appeal body independent of the regulator. The language in the new legislation is far weaker and does not guarantee a right of appeal. See Bill 2, sections 31 through 35.

The current legislation also removes landowners' rights to appeal to the Environmental Appeals Board and gives the regulator the power to review his own decisions. It is unlikely that the regulator will be inclined to amend his own decisions. As was mentioned earlier, it's not easy to admit you were wrong. Thus, section 36 removes another important opportunity of appeal for landowners. The ERCB ethos does not appear to be aimed at protecting the environment or landowners. There have been checks on its pro-industry mandate in the past that are being eliminated. We believe the language and protections contained in section 26 of the Energy Resources Conservation Act should be placed into Bill 2. In particular, there should be an external appeal body like the Environmental Appeals Board, which is being cut out by this act.

I received input on this bill from an expert in advocating for landowners' rights, Mr. Daryl Bennett. He's a constituent of mine as well as a knowledgeable, vocal spokesman for his many landowner clients. With his permission I will now share some of his comments to me, his MLA.

I'm just getting sick of what is happening in this province, and not a few landowners are mentioning . . . this.

This is about taking the few remaining rights away from the landowners and streamlining the process so that industry does not need to deal with environmental or landowner concerns.

Basically, government is getting tired of informed landowners being able to use the system to protect themselves. I'm really concerned about putting the reclamation and remediation under the same regulator that gives licenses in the first place. It's like the fox guarding the hen house.

I'm involved with the MATL power line right now, and it is sickening how the operator is being given preferential access to government and the regulators and how the rules don't apply. They're contriving to have information beneficial to landowners thrown out and threatening lawsuits and other actions to keep the landowners from effectively representing their cases.

The biggest problem with these regulators is that their decisions are very difficult and costly to review. They also sanitize their decisions so that many issues brought up by landowners are not even mentioned.

They ignore what they don't want to deal with and then hide behind Administrative Law which states that their decisions only have to be reasonable. How do you determine

what reasonable is when they edit the information that they rely upon?

This is the government's way to remove judicial oversight and fairness from the system so that they can confiscate private resources to benefit the "big players" who donate to their campaigns.

Then they use intimidation or regulation to shut down the opposition.

It's going to get very difficult to represent landowners in this climate. Landowner lawyers are being slashed on costs, and very few people want to work for landowners anymore because the system is so rigged against them.

Daryl is an intelligent, well-educated man. I'm sure you can sense his passion and his frustration. Variations of his comments are being echoed across rural Alberta, as you've heard from some of my colleagues.

Now, democracy and fairness can be clumsy. When you believe you know what's right and you have the power, there's a tendency to ignore contrary voices. To continue to do so will appear to be both presumptuous and insensitive to the interests and needs of the weakest partners in this equation. To pass up this opportunity to create a win-win for energy companies and for the landowners upon whose property many of the energy developments will occur would be a travesty. Power corrupts; absolute power corrupts absolutely. That is a saying that, hopefully, this government is committed to seeing does no longer apply to it. Self-awareness precedes change.

I want to talk for a minute now about the law of the harvest, a principle about natural and artificial systems. An example of that might be farming. Now, a farmer knows that if he doesn't prepare the soil and plant in the spring and do the other things necessary to tend his crops during the summer, if he decides, "Gee, it was a bad winter, and I'm going to take the summer off and play and have a good time" and when fall comes he says, "Well, I'm rested and ready to go; I'm going to harvest if it takes me 18 hours a day," well, what's he going to harvest? He didn't plant anything. That's a natural system, where choices have their consequences.

Education might be considered an artificial system, where if the goal is to get an A, you might just cram for your final exam, and I suspect that some of us got pretty good at cramming when we were in school. But what's the half-life of crammed knowledge? It's probably just barely long enough to get the test written. Maybe you get an A, but does that A demonstrate that you mastered the material? I submit that it doesn't in such cases. You could fool the system. The teacher might think you're brilliant – you got an A – but did you really get an education? No. Now, how many of you would like to be operated on in, say, a delicate brain surgery procedure by a doctor who as a student knew how to beat the system, who crammed for his exams? I wouldn't have confidence in his performance, and you wouldn't either.

Natural versus artificial systems. Governments create some artificial systems and some artificial rights from time to time. We need to have laws and rules and regulations like this act that make sure that we have equal rights to government services, to government regulations and to government regulators, to government boards and the courts, and to protection from incursion and unjust acts that may be perpetrated on us, unjust use or access to our land. There are natural rights, and there are artificial rights.

Let me tell you about Farmer McGregor, who gets a letter from the government. He's just thrilled to get the letter because it says: "Dear Farmer McGregor, you don't have to plant this year because we've got too much grain, so we're going to pay you to bank your land." He's thrilled. He says to his wife: "Martha, great

news. We don't have to work this year. They're going to pay us to bank our land." They feel pretty good about it. They kind of celebrate it. But then they get the rest of the story. The letter the next day says: "Oh, by the way, Farmer McGregor, you're going to have to go to your neighbours and get the money from them. You'll go to Mr. Smith, your neighbour next door, and ask him for a thousand dollars so you don't have to work this year, or you'll go to Mr. Jones across the street and ask him for \$500 so you don't have to work this year" and so on.

Well, you know what, Madam Speaker? He can't do that. He won't do that because he knows that he has no right to a portion of your income. He knows he can't look you in the eye and say: give me some money for not working. Now, if he doesn't have that right individually, what makes him think that he can delegate a right that he doesn't have to the government, a right for the government to go and to give somebody, an oil company for example, the right to trample on somebody else's rights? You can't do that. We can't collectively delegate a right that we don't individually have, I submit to you.

Now, we need rules and regulations, and there are situations where government will through rule and regulation and through rule of law require that certain things will happen, but you can't give a right to one person without taking away another person's right, so we have to consider the impact of our actions and the consequences of these decisions. I think that's what's been talked about so eloquently by all of the speakers today.

5:30

Now, a criminal is provided a lawyer if he can't afford one. Shouldn't a law-abiding citizen receive the same help in a civil matter, in a battle against financial giants? That's what we're talking about. That's what Mr. Bennett was talking about in his concerned comments to me. Landowners can no longer afford to engage in costly battles to defend their rights. When David went up against Goliath, his own strength and skill and God's help allowed him to conquer that giant. Who's going to help the landowner Davids?

I think the system and this government shouldn't put him in that position in the first place, but if it does, then he's entitled to our help. I think it's our obligation to see that the law and the system prevent that from happening as much as we can. Where it does happen, we shouldn't pit the landowner Davids against the financial giants in the oil industry.

Now, we want the industry to have access. We want the system to be speeded up. But it can't be at the expense of the individual rights of landowners. Every landowner should have a say in decisions that affect him or her. I think that's where a lot of the frustration arises. Each of us wants to have a say in decisions that affect us. We ought to be able to within our own government, where we're paying our taxes and voting. The democracy in Alberta shouldn't end the day after an election. You all across the way ought to have the freedom and ability to vote the way your constituents want you to. That's participatory democracy. It's essential to our freedom. It's essential to the protection that landowners need. It shouldn't just be those of us who have been chosen to represent the rural ridings, in most cases, that speak up on behalf of landowners' rights. You all ought to be doing the same thing yourselves. Shame on you if you don't, I think, and so do they.

Government ought to seek first to understand the needs and concerns of all parties before prescribing the solutions. You wouldn't have any confidence in a doctor, say an optometrist, that saw you walk in and took a look at you and said: "I think these would work for you. They've been really good for me. You ought

to try them.” You wouldn’t go back to that optometrist. You’d turn around and walk out.

Government says: we’ve listened to Albertans. But the evidence shows that you didn’t hear. You need to listen and hear, and your actions will demonstrate that you’re hearing, that you’re getting the point, that you understand the concerns of the people that are being affected by your decisions, who don’t feel like they have a say.

Why don’t people show up? Yesterday, I think it was, somebody mentioned, the Finance minister perhaps, that he was puzzled by the lack of response from the citizens when given a chance to come and talk about the budgeting process. Well, after going to those kinds of things for so many years and never seeing any impact or any change in what was already obviously planned, why would you continue to do that? You’ve got better things to do. Watching Oprah, for example. You may actually learn something. Credibility comes from listening and demonstrating that you understand.

The Acting Speaker: Thank you, hon. Member for Cardston-Taber-Warner. I believe that you were reading from a document, so I would remind you that you’re required to table that document tomorrow during the regular Routine under tablings, please.

Mr. Bikman: Glad to do that.

The Acting Speaker: Thank you.

Just before we go to 29(2)(a), I want to remind everyone in the House that in the spirit of Halloween we can go out and celebrate and enjoy the ghosts and ghouls that are out there, but in the House it is not traditional for us to wear any masks.

The Member for Drumheller-Stettler under 29(2)(a).

Mr. Strankman: Yes. Madam Speaker, to the hon. member. He used the phrase “absolute power corrupts absolutely,” and I was wondering if he could explain how he feels this will relate to this new superregulator and the appointed board.

The Acting Speaker: Thank you, hon. member.

Mr. Bikman: Thank you for asking that question and for the opportunity to respond, but first I need to ask, Madam Speaker: you made the comment about costumes after I spoke. I wonder. This is the way I really look. [interjection] Thank you.

Absolutely power corrupts absolutely. We see evidence of that throughout history.

The Acting Speaker: Hon. member, through the chair, please.

Mr. Bikman: I’m sorry. Absolute power corrupts absolutely. The question is: how do I think that applies to a superboard? Well, where in the world have we seen central planning for large jurisdictions actually produce lower cost services or better quality decisions? We know that decisions are best made at the level nearest to the people affected by them. I believe there’s strong evidence of that, yet we see attempts to create superboards.

We know the frustrations that have been created with the Alberta Health Services superboard. Lots of our constituents complain about the quality of service not being what it was prior to that event. They feel like, again, they’re powerless. They feel like decisions are made here in Edmonton that don’t reflect the realities of Milk River, Alberta, where five critical care hospital beds were taken away and now they can’t hire doctors anymore. That’s what I mean. When you centralize power and you don’t have checks and balances to the power, the kinds of things that

I’ve talked about and that my hon. colleague from Rimbey-Rocky Mountain House-Sundre so eloquently expressed and others have too, you lose credibility. Your ability to govern effectively relies on that credibility, that relationship that you have with the citizens at large.

Now, because we’re in a majority rules situation here, people get the sense, especially when the voting occurs as a bloc as opposed to individuals in spite of what’s been said and evidence to the contrary that exists, that there are no dissenting votes. That’s peculiar because you’re not from a homogeneous riding. It’s a heterogeneous riding. When we get homogeneity within a group where the group’s opinions, varying opinions and perspectives, aren’t allowed to be expressed, not just behind closed doors in caucus but also on a floor like this, then you produce a stagnant result. That’s why in certain similar situations adoption is required. Think about it.

We need to value the differences, and a good dynamic party values the differences and input from all of the stakeholders and the stakeholder representatives that were elected. When I mentioned in a jesting way earlier about fixing things not in a veterinary way, I think sometimes that seems to be what’s happened. I think the government is fixed because they can’t come up with new ideas with input. We don’t value the differences. We’re not getting enough differences of opinion.

Now that’s clumsy. That’s awkward. But psychological experiments and studies have proven that the groups that have a variety of interests, where you’ve got somebody there that’s always agitating and making life miserable for the rest because he’s never happy with the ideas they’ve come up with, those groups compared to homogeneous groups end up producing far better results, far more creative solutions to problems.

When power corrupts and absolute power corrupts absolutely, it isn’t necessarily in a criminal way. It can also be that it corrupts the decision-making process, that it corrupts the creative juices and the creative processes that need to exist, that have to exist if we’re going to meet the real needs of our province. This is a dynamic province, a province with great potential, great people, great citizens.

Now, we can keep telling ourselves that we’re the greatest in this or we’re the greatest in that, and we can find statistics that will prove it, but many a statistician has drowned in a river with a mean depth of three feet. You can lie to yourself with statistics, but don’t do that.

The Acting Speaker: Thank you, hon. member.

I’ll recognize the hon. Member for Innisfail-Sylvan Lake.

5:40

Mrs. Towle: Madam Speaker, thank you for the opportunity to speak on Bill 2, the Responsible Energy Development Act. We all understand and agree with the basic idea that the present regulatory process has become a bureaucratic nightmare. The idea of a single regulator that ensures efficiency, consistency, and collaboration within the regulator is very important, and this should be the goal for all legislators going forward. The Wildrose believes in streamlining processes. We believe in creating efficiencies, and we believe in reducing the tax burden to families, to businesses, to industry. However, along with any of these decisions consultations have to happen with stakeholders. Those consultations have to happen with industry, with landowners, property rights groups, and any other affected stakeholders.

Industry has come forward and endorsed this bill, as seen by the CAPP news release of October 24, 2012. Clearly, industry was consulted, and going forward they indicated this bill, in their

belief, will create a more efficient regulatory system that helps build investor confidence, will encourage technology and innovation, simplify the processes, and make it easier to navigate a regulatory system, and will encourage the provinces to work together and collaborate with the federal government to reduce any overlap or duplication. These are very important aspects of this legislation. These are also all things that the Wildrose sees as positive as well.

The Wildrose fully supports the intent of Bill 2, the Responsible Energy Development Act. Clearly, we need to ensure that we make the process less cumbersome and promote economic growth while at the same time ensuring that landowners are protected. It is important to understand that the red tape in Alberta creates a situation where we become one of the worst jurisdictions for energy development because of this bureaucratic process. Many other members in this House have already spoken to what other provinces are doing or not doing or how it can be or can't be. The Leader of the Official Opposition identified how Saskatchewan is doing it and is taking a process that is taking nine months in Alberta down to a simple two-hour process. We can get there.

Bill 2 is a step forward, but it has become clear that it will not be able to get the job done. Any time we look at government regulation, especially when we're trying to maintain a balance between the environment, landowners, and industry, we must ensure that the legislation will generate efficiency and balance. We must also ensure that landowners are fully consulted when making decisions about how their property is affected. After all, landowners are the persons who have invested in the property and have worked the property, and it belongs to them. We as legislators do not have the right to impose upon them our will and to take their property away from them. I've spoken to stakeholders who were completely caught off guard by this bill. It's not at all what they were told it was going to be, which was a simplified regulatory process. Instead, we have something that could make the process even more complicated.

My first worry with this legislation is that it's adding more red tape to an already rising mountain of red tape, which is not a solution. Red tape continues to hurt Alberta's industries and small businesses. A Canadian Federation of Independent Business report in 2010 said that overregulation costs Alberta \$4 billion a year. This means that we're taking \$4 billion, removing it from Alberta, and not giving back to the people who give to Alberta every day. A recent Fraser Institute study said that a sweet gas well that should take 10 days and \$1,000 to get regulatory approval for currently takes almost three years and \$100,000. That does not signify to industry at all that we are a friendly place to do business.

We are a great province. We already provide the lowest tax rate. We provide a very friendly work environment, and we have a hard-working, diligent group of people in Alberta. What we need to do is reduce the regulatory burden. Interestingly, this government has known this all along. The Wildrose knows this, and together we should be doing something about it.

Alberta's economy is only going to get better as we allow our businesses to become more and more competitive, especially in the global marketplace. We can do this while we ensure that we protect landowners' rights as well as the environment. We must make sure that landowners and the environment and industry are all working together to make that the priority. What we also have to do is cut unnecessary regulation, and I believe that Bill 2 does not cut that regulation but actually adds more.

One area of Bill 2 that concerns me greatly is that it takes the failed bodies and basically stuffs them into a new energy superboard. Unfortunately, Alberta has seen the detrimental

effects of superboards. Albertans have seen how centralization has taken the power away from local decision-making and given that power to a board that is no longer acting in the best interests of Albertans or aware of the concerns facing many Albertans.

The Alberta health superboard was one such board. This was a board that was created to simplify the process, provide efficiencies, and save taxpayer dollars. Clearly, this has not been a success. The Alberta health superboard has created insecurity, added layers and layers and layers and layers and layers and layers and more layers and a few more layers and some more layers and a couple of more layers and then some more layers, and then we added some bureaucracy, and then I think there were even more layers and then a couple of more layers and then about two more layers to the process. It fails on making decisions that best serve Albertans. We only have to look daily to the situation of the multitude of vice-presidents in Alberta Health Services, how money is being eaten up at the bureaucratic level, not making it to front-line workers. Those are decisions of a superboard.

Those same decisions of a superboard take away local autonomy. They take away decision-making from those who know best what's going on. Many Albertans have expressed loudly that they are no longer heard in this type of centralized decision-making. Centralized decision-making often loses sight of the real goal, only to cave in to a particular agenda. It is imperative that we do not create that same style of decision-making in energy. This is especially true when we have experienced first-hand how centralization of anything can be devastating to Albertans, landowners, and business. Bill 2, the Responsible Energy Development Act, centralizes power under the minister's hand-picked regulator, with plenty of room for interference by the minister. Hmm. I think I've seen this a little bit before. I'm not really sure, but I think there were a couple of bills before that sort of addressed this a little bit and had a little bit of room for interference and a little bit of hand-picking, those kinds of things.

We have seen how that process works, and it has a negative effect on business and Albertans, and it creates uncertainty and instability. Bill 2 does make something more efficient for industry and government. It pretty much takes landowners' rights away. It pretty much ignores the landowner. That's pretty efficient if you want to get something done. Part 2 of the bill, which deals with hearings and reviews, is very problematic. This entire section reduces landowners' rights, which have already been marginalized enough by this government. We can do better than this. This bill would be a lot better if it was more focused on reducing the red tape than marginalizing property rights.

Once again, there are sections in this bill that are broad and subjective as to what the regulator's powers are. This bill clearly opens the door to constant political meddling. However, of great concern is section 68. Section 68 goes way too far. It allows for another Bill 36 or Bill 50 disaster. Section 68 may allow the minister to rewrite the rules, to expedite things that wouldn't normally make it through a standard regulatory process. One only has to ask: "How does this protect the landowner? How does this protect the Albertan? How does this protect people who are investing in our province?"

The makeup and selection process of this board should ring alarms for all who believe in democracy. I think we can all agree that there should be representation for more than one hand-picked group. The board could clearly be made up of a variety of stakeholders such as property rights representatives, people with environmental backgrounds, and, of course, experienced and proven people from the different kinds of energy industries.

How can Albertans be assured that this bill will not result in even more appointments of PC donors and volunteers to high-

paying government jobs? Since cabinet is in charge of appointing the board of directors, there is concern that positions will be filled with PC supporters instead of industry experts and landowners. It was the Premier's cabinet that approved the Bill 50 lines and pushed for the hiring of Evan Berger, all of which create an atmosphere of cronyism and distrust. Many have expressed great concern that leaving these appointments to cabinet is not a good idea. The creation of a biased, superregulatory agency will not solve the deficiencies in the regulatory system.

5:50

That being said, Bill 2 has made some progress. The intent is right, the idea is solid, and there's an opportunity to ensure this is not another Bill 50 debacle. We've already seen Bill 50 come back to this House. Clearly, it was a flawed process, and the House asked that it be reviewed. We have done that, and that's the right way to do it.

Bill 2 did make a positive step in allowing the landowner to register their agreements that they make with the companies with the regulator. This allows the regulator to enforce the provisions without the landowner having to take the company to court. This is a very positive portion of this bill. This clearly shows that they had the landowners' interests at heart, that they were listening to those that they might have consulted on this issue, and clearly they have developed that into the bill. Now, if only we can take all of the other concerns and ensure they're addressed as well.

Madam Speaker, while I do appreciate that the government is trying to do something to help industry with project approvals, streamline the process, and create a single-door regulator, which I one hundred per cent agree with, I do not believe that Bill 2 as it appears today is doing the right things. Bill 2 does not ensure that there is proactive informing of affected landowners, and it does not guarantee their right to a hearing as part of the licensing process, as is currently the case with the ERCB.

I'm happy to work with the members opposite to provide opportunities to landowners while ensuring that we are protecting the rights of landowners. I understand that there is a need to make sure that industry has the opportunity to be able to run their businesses and provide their services in an effective and efficient manner.

I look forward to working together on amendments to make this legislation something that will benefit all of Alberta, and I'm hoping that the government can see that this is not about politics. This is about understanding our constituents, Albertans, and putting their needs ahead of ours. I will not be supporting Bill 2 as it stands today.

Thank you.

The Acting Speaker: Thank you, hon. member.

Standing Order 29(2)(a). Are there any other members who would like to comment or question the Member for Innisfail-Sylvan Lake? The Member for . . .

Mr. McAllister: Chestermere-Rocky View.

The Acting Speaker: Chestermere-Rocky View. Thank you.

Mr. McAllister: I forget myself sometimes, Madam Speaker.

My question for the member. I think she communicated effectively, you know, what her problem with the bill is. I'd be curious to know what it would take to sway her vote in support?

The Acting Speaker: Thank you.

The hon. Member for Innisfail-Sylvan Lake.

Mrs. Towle: Thank you. It wouldn't actually take a lot. What we

need to do is to sit down and engage with landowners and see what their concerns are with these bills. What I'm hearing is that they need to make sure the board is fair, that it's not appointed just straight by the minister. We need to make sure that the regulatory process is streamlined but streamlined in a way that it's not catering to any one person. I'm happy to prepare some of those amendments. I know many of our colleagues in this House will be preparing some of those amendments. But, ultimately, what it's really going to take, as the hon. Member for Cardston-Taber-Warner said, is the ability to listen, not just to listen with your ears but to actually hear what someone is saying.

This isn't about, you know, that side or this side. This is about picking what is best for Albertans, and landowners have a problem with this bill. Landowners had problems with bills 19, 36, and 50, and they were ignored and ignored and ignored, which created a situation where we have 17 MLAs in the House today, which is absolutely historical in this province. What we need to do: we need to take a lesson. Albertans have said: "We will not be ignored. We will be heard, and if you don't hear us, you're going to see what's going to happen." So let's work together. Let's figure out what the best solutions are to this bill, and let's do it in a proactive way and show that we can do that.

The people on this side of the House, in the Wildrose caucus, anyway, are more than willing to work with the government. All we're asking is that the government be more than willing to work with the Wildrose. That's what's best for Albertans.

Thank you.

The Acting Speaker: Thank you, hon. member.

There are still three minutes left. Are there any other members who wish to question or comment? The hon. Member for Calgary-McCall.

Mr. Kang: Well, I want to ask the hon. member what kind of impact the streamlining process will have on the environment, if any. In your opinion, when we streamline the process, what kind of impact is it going to have on the environment?

Mrs. Towle: Thank you, hon. member. Well, clearly, I think that any time we can streamline the process, we can ensure that there are environmental protections to make sure that we are not damaging people's land, waterways, air quality, all of those things. We can do that through legislation, or we can do it through regulations. But making a one-stop shop for industry and for landowners provides a system where – right now what happens is that somebody wanting to do something literally has to go to eight or 10 or 12 different spots. They have to, you know, pay this fee here, and they have to do this, and they go to the next window. Well, what happens is that something gets forgotten. Hawks' nests get torn down. Marshlands get destroyed. Property gets ruined. Farmland gets taken out of productive cropping, all because there are so many steps in the process.

We can streamline the process, we can protect the environment, we can protect landowners, we can encourage industry, and we can do it right. It just takes co-operation. Just because you streamline a process doesn't necessarily mean that you're devastating the environment. There are ways to do it right, and as long as we listen and we co-operate and we engage the people who know – if you ensure that there are environmental people on this board, that's the check and balance. We can have that. Just because you streamline doesn't mean that we automatically destroy the environment. We can do it right. We want to do it right. We just need to do it together.

The Acting Speaker: Thank you, hon. member.

There is still one minute left. Are there any other members that wish to comment or question the hon. Member for Innisfail-Sylvan Lake?

Mr. Kang: Will the application be proceeding simultaneously in all the other departments? Will different people be dealing with the application or just one regulator?

Mrs. Towle: Thank you, hon. member. Well, I don't think that at this point that's clearly been laid out. I mean, that's something the government is going to have to bring forward to everybody here. I'm certainly open to hearing whatever suggestions they might make, so how that streamlined process can benefit everybody and how it actually works so that in the House here we know that we're protecting Albertans. If it's one person or two people, that's

fine, or if you make the application to protect the environment and have your project go forward and that's arranged through one window but behind the scenes it takes more than one person, I'm assuming it will.

The Acting Speaker: Thank you, hon. member.

Being an inexperienced Speaker, at this point in time I see that we have one minute left, and I think that I am required to call the next speaker, who will just stand up and start his presentation.

Mr. Campbell: Madam Speaker, I suggest that we call it 6 o'clock and adjourn till 7:30.

The Acting Speaker: The hon. member has moved that we call it 6 o'clock.

[Motion carried; the Assembly adjourned at 5:59 p.m.]

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Managing Editor
Alberta Hansard
1001 Legislature Annex
9718 – 107 St.
EDMONTON, AB T5K 1E4
Telephone: 780.427.1875