



Province of Alberta

The 28th Legislature
First Session

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Issue 15a

The Honourable Gene Zwozdesky, Speaker

Legislative Assembly of Alberta
The 28th Legislature

First Session

Zwozdesky, Hon. Gene, Edmonton-Mill Creek (PC), Speaker
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Johnson, Hon. Jeff, Athabasca-Sturgeon-Redwater (PC)	Xiao, David H., Edmonton-McClung (PC)
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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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Blakeman	Quest
Donovan	Rogers
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Eggen	Sherman
Fenske	Smith
Goudreau	Starke
Hehr	Strankman
Jansen	Towle
Luan	Young
McDonald	Vacant
Olesen	

Standing Committee on the Alberta Heritage Savings Trust Fund

Chair: Mr. Quest
Deputy Chair: Mrs. Jablonski

Anderson
Casey
Dorward
Eggen
Kubinec
Sandhu
Sherman

Select Special Conflicts of Interest Act Review Committee

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Blakeman
Dorward
Fenske
Johnson, L.
McDonald
Notley
Saskiw
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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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Calahasen
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Brown	Pastoor
DeLong	Rowe
Fox	Sarich
Fritz	Starke
Goudreau	Strankman
Jeneroux	Swann
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Luan	

Standing Committee on Privileges and Elections, Standing Orders and Printing

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Johnson, L.	Xiao
Kennedy-Glans	Young
Kubinec	

Standing Committee on Public Accounts

Chair: Mr. Anderson
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Amery	Hehr
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Fraser	Webber
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Chair: Ms Kennedy-Glans
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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.

Tuesday, November 6, 2012

[The Speaker in the chair]

Prayers

The Speaker: Let us pray. Dear Lord, help us to always know what is true, what is pure, and what is just. Enlighten our minds and our hearts with thoughts of peace, respect, and freedom as we fulfill our commitment to serve others. Amen.

Please be seated.

Introduction of Visitors

The Speaker: The hon. Minister of Environment and Sustainable Resource Development.

Mrs. McQueen: Thank you, Mr. Speaker. It's a pleasure for me to rise to introduce to you and through you to all members of this Assembly a dear friend of ours that's joining us in your gallery. A colleague of ours from the class of 2008, Doug Elniski is joining us in the gallery today. Many of the members here from the class of 2008 and prior know that his favourite slogan, that I think we worked together to develop, was: it's all in Calder. He's generously given it to me so that I can now say: it's all in the valley. Welcome our friend Doug Elniski.

Introduction of Guests

Mr. Young: Mr. Speaker, I'm pleased to rise here today and introduce to you and through you to all the members of the Assembly a school in my riding, the grade 6 class of Belgravia school. I'd like to ask them to rise and receive the traditional warm welcoming of this Assembly. With them today are Mrs. Rosanna Hansen, Mrs. Lara McMillan, and Ms Kirsten Kinsella, the teachers, as well as Mrs. Barb Forbes.

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

Mrs. Towle: Thank you, Mr. Speaker. It is my pleasure to introduce to you and through you today to all hon. members 115 grade 6 students from the Innisfail middle school in my constituency. Keeping this large group of students in line are 12 very patient parents and teachers. I'll read out their names: Mrs. Jill Neilson; Mr. Tom Stones; Mr. John Pierzchalski, who, by the way, taught me when I was a student; Ms Gloria Thompson; Mrs. Kari Fox; Mrs. Debbie Penner; Mrs. Charlotte Hagglund; Mrs. Carla Gabert; Mrs. Denise Bennett; Mrs. Diane Martin; Ms Ria Brown. I had the pleasure of meeting with them earlier this morning, and they had lots of questions about democracy and our role in this House. I would like to ask this fantastic group of future leaders to rise and receive the traditional warm welcome of this Assembly.

The Speaker: The hon. Minister of Health.

Mr. Horne: Thank you very much, Mr. Speaker. It's a pleasure to introduce to you and through you to all members of the Assembly guests joining us from the College of Physicians & Surgeons of Alberta. Dr. Trevor Theman is the registrar of the college. He has served in this role since 2005 and is a proud resident of this city. Joining him this afternoon is Barbara Krahn, communications adviser with the college. Later this afternoon I'll be tabling the

annual report of the college, and I'm very pleased they are able to join us for the tabling today. I'd ask them to rise, and I'd invite all members to provide them with our traditional warm welcome.

The Speaker: The Minister of Justice and Solicitor General.

Mr. Denis: Thank you very much, Mr. Speaker. I'm very pleased to rise today and introduce to you and through you to all members of the Assembly four individuals whose programs are the most recent recipients of civil forfeiture funding. Yesterday I announced \$1 million in funding for eight community projects focused on gang prevention. I had the great privilege of meeting these people and many other community leaders who are in Edmonton for the first meeting of the Alberta gang reduction network.

I ask each of you to rise as I introduce you: Dwayne Yellowknife, who is from Wabasca and represents the Wabasca gang reduction initiative; Mrs. Tracy Zweifel, who is from Peace River and represents the Sagitawa Friendship Society; Mrs. Janet Swampy and her daughter Taryn – Mrs. Sawmpy is from Hobbema and represents the healing life program; I had the privilege of listening to some of her stories earlier – Mr. Vaughn Daniels, who is from Morley and represents the Stoney Nation youth engagement strategy. Of course, finally, I want to introduce Mr. Gerald Lamoureux and Mrs. Carmen Parent with the safe communities initiative. I want to take this opportunity to thank all of them and the safe communities members for their exceptional work, and I ask the members to please give them the traditional warm welcome of the Assembly.

Mr. Scott: Good afternoon, Mr. Speaker. I'd like to introduce to you and through you to all members of the Assembly two individuals from the Fort McKay Métis community. As the president of the Fort McKay Métis community Ron Quintal has helped establish a number of positive initiatives in the community such as the development of the five-year strategic plan, which outlines the main goals of the community, and the establishment of the Fort McKay Métis Group, that has helped fund community projects. Ron has volunteered with the community and the Métis Nation of Alberta and other local Fort McKay initiatives. I would ask that Mr. Ron Quintal, president of the Fort McKay Métis community, and Mr. Jeffrey O'Donnell, executive director, please rise and receive the traditional warm welcome of the House.

The Speaker: The hon. Member for Fort Saskatchewan-Vegreville, followed by Olds-Didsbury-Three Hills.

Ms Fenske: Thank you, Mr. Speaker. It's my pleasure today to introduce to you and through you to all the members of the Assembly three people from the constituency of Fort Saskatchewan-Vegreville. Two of these individuals have known me every moment of my life, so you can either blame them or thank them for the way that I am today. I am very pleased to have my mother and father here, Ann and Gordon Liske.

In addition, I am also pleased to have Sylvia Smith with us today. She wons our constituency office in Fort Saskatchewan-Vegreville Wednesday to Friday. If they would all three rise and if we could greet them, please.

The Speaker: The hon. Member for Olds-Didsbury-Three Hills, followed by Dunvegan-Central Peace-Notley.

Mr. Rowe: Thank you, Mr. Speaker. I am delighted to rise today to introduce to you and through you to all members of this Assembly a very special person. He is committed to giving one

hundred per cent to everything he does at school and in his personal life. Kind, thoughtful, and polite are a few words that best describe him. He is active in sports and an avid reader, taking after his Grandpa Brian and his granduncle, that being me. He is with the Innisfail school group, which was divided into two because of their size. I'm not sure that he is in the gallery as I'm speaking, but I would ask that Hayden Jacobs rise and be given the traditional welcome from this Assembly.

The Speaker: The hon. Member for Dunvegan-Central Peace-Notley, followed by Edmonton-Highlands-Norwood.

Mr. Goudreau: Thank you, Mr. Speaker. It's also my pleasure to introduce to you and through you to the members of this Assembly two individuals from Ironstone Resources. Ironstone is a proposed iron ore and vanadium mining project in my constituency, with over 650 million tonnes of compliant iron ore resources and 2.5 billion pounds of vanadium pentoxide that are ready for production. Ironstone is currently building a technology centre in Hines Creek to commercialize technology originally developed in the '70s by the Alberta Research Council. My guests are sitting in the members' gallery, and I apologize for having missed a meeting with them because of the Members' Services Committee being stretched out so much. I would like to ask the Ironstone president and CEO, Barry Caplan, and the vice-president of corporate development, David Thiessen, to stand and receive the traditional warm welcome of the Assembly.

1:40

The Speaker: The hon. Member for Edmonton-Highlands-Norwood, followed by Cypress-Medicine Hat.

Mr. Mason: Thanks very much, Mr. Speaker. I'd like to introduce to you and through you to all members of the Assembly a group of guests who are members from the Alberta Union of Provincial Employees. These workers represent nearly 90 licensed practical nurses, health care aides, housekeepers, and food service staff who've been locked out at Monterey Place in Calgary since June 26th. Their employer, Triple A Living Communities, receives a financial subsidy from this government. However, instead of giving these hard-working individuals the deal they deserve, Triple A has been paying wages up to 27 per cent lower than industry standards while padding their own bottom line. The Alberta NDP is proud to stand with these workers in their struggle.

I would now ask my guests to rise as I call their names and then receive the warm traditional welcome of the Assembly: President Guy Smith, Susan Slade, Crispina Bagtas, Rosalia Burguete, Lilia Roxas, Cleofe Gapasin, Bhupinder Gill, Elizabeth Lado, Maria Lemus, and Clarita Natividad. I'd ask all members to give them a warm welcome.

I have a second introduction, Mr. Speaker. I'd like to introduce to you and through you to this Assembly my guests Carissa Halton and two of her three children, Madi and Alistair. Until the end of last year Carissa worked as my executive assistant. Currently she is keeping busy with three wonderful children, Alistair being the latest addition, and volunteering on various projects to help with the renewal of the Alberta Avenue neighbourhood. Carissa also writes a regular blog called the Avenue Homesteader, in which she explores and promotes urban agriculture and sustainable living practices. I would ask Carissa, Madi, and Alistair to rise and also, through television, say hello to Lily, who's not here, and receive the warm traditional greetings of the Assembly.

The Speaker: The hon. Member for Cypress-Medicine Hat, followed by Innisfail-Sylvan Lake.

Mr. Barnes: Thank you, Mr. Speaker. I am pleased to rise today to introduce to you and through you to all members of this Assembly Denise Baillie of Edmonton. Although she is not able to be here today, I would also like to recognize Rosanna Gullekson, one of my constituents from Cypress-Medicine Hat. Both of these women are strong and caring Albertans coping with MS. Both of these women want our health system to be even better and even stronger for the future, with more choice for Albertans afflicted with MS. These women do not just sit back and hope this will happen. They are speaking to Albertans and working hard to make sure that our system is improved and will be better for all for the future. With that, I'd ask that Denise wave – and thank you for standing – and that all members of the Assembly please give Denise the warm and traditional welcome.

Members' Statements

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

Francophone Education

Mr. Goudreau: Merci, M. le Président. J'ai aujourd'hui le grand plaisir de souligner le rôle joué par les écoles francophones de l'Alberta pour appuyer la réputation d'excellence de la province dans le domaine de l'éducation. L'Alberta est fière de compter parmi ses habitants une population francophone grandissante et dynamique qui continue d'enrichir et de renforcer nos communautés petites et grandes, rurales et urbaines.

La riche histoire linguistique et culturelle de cette population se reflète dans les 34 écoles qui, dans notre province, offrent des programmes d'éducation en français à près de 6,000 élèves. En plus de leur présence essentielle pour répondre aux besoins des élèves francophones et de leurs familles, ces écoles témoignent des normes élevées et de l'apprentissage axé sur les élèves qui ont fait connaître le système éducatif de l'Alberta dans le monde entier.

En 2010, par exemple, l'équipe de robotique de la classe de 8e année de l'école Joseph-Moreau a remporté le championnat de robotique provincial et a représenté l'Alberta au Smart Move World Festival, le concours international de robotique tenu à Atlanta. Nous pouvons tous être fiers de la manière dont ces élèves ont personifié l'esprit d'innovation et de créativité de l'Alberta dans le domaine des sciences et de la technologie.

Pour ma part, M. le Président, j'éprouve aussi une grande fierté à faire partie d'un gouvernement qui s'engage à ce que l'Alberta demeure un chef de file dans la présentation de possibilités d'apprentissage à la population francophone. Grâce aux investissements dans l'éducation consentis par le présent gouvernement, nous attendons avec impatience l'ouverture de quatre nouvelles écoles francophones en septembre 2014. Ces écoles, situées à Jasper, à Red Deer, à Airdrie et à Cochrane, offriront un milieu d'apprentissage moderne qui contribuera à préparer la réussite d'une nouvelle génération d'élèves francophones.

Merci, M. le Président.

[Translation] Thank you, Mr. Speaker. It is with great pleasure that I rise today to highlight the important role of Alberta's francophone schools in supporting our province's reputation for excellence in education. Alberta is proud to have a growing and

dynamic francophone population that continues to enrich and strengthen our communities, both large and small, urban and rural.

This vibrant linguistic and cultural history is embodied in the 34 schools that provide francophone education programs to nearly 6,000 students throughout our province. These schools are not only instrumental in helping to meet the needs of francophone students and their families; they also reflect the high standards and student-centred learning for which Alberta's education system has become known throughout the world.

In 2010, for example, the grade 8 robotics team from l'école Joseph-Moreau won the provincial robotics championship and went on to represent Alberta at the Smart Move World Festival, an international robotics competition held in Atlanta. We can all take pride in how these students exemplified Alberta's spirit of innovation and creativity in the field of science and technology.

Mr. Speaker, I am also proud to be part of a government that is committed to ensuring Alberta remains at the forefront of providing leading-edge francophone learning opportunities. Thanks to this government's investments in education, we can look forward to the opening of four new francophone schools in September 2014. Located in the communities of Jasper, Red Deer, Airdrie, and Cochrane, these new schools will offer a modern learning environment and help prepare a new generation of francophone students for success.

Thank you, Mr. Speaker. [As submitted]

The Speaker: Thank you.

I believe a courtesy translation copy is on everyone's desks.

Justice System Review

Mr. Anderson: Mr. Speaker, as we all now know, there's a wonderful and courageous Airdrie girl who was raped repeatedly for eight years only to have her case dropped because of delays in our justice system. Child sexual abuse, indeed sexual assault of any kind, is a heinous and awful crime. Many people may not know that 1 in every 3 girls and 1 in every 5 boys is sexually abused at some point in their life, primarily when they are young. Child sexual abuse is an evil epidemic that is more common than many of us understand.

Politicians often express outrage when such awful things occur, but outrage without action is meaningless and hollow. Mere outrage cannot bring back a victim's innocence. Speeches do not have the power to turn back time or bring about justice. But outrage that spurs righteous action: that is powerful.

We as MLAs cannot sit back on this issue any longer. Unlike the precious children who have been victimized so horribly, we have the power to do something about it, but we first have to be willing to admit there is a problem. Our justice system has lost the public's confidence. You don't have to take legal training to see that. Due to a lack of resources prosecutors are often forced into offering light-sentence plea deals or risk cases getting dropped because of delay, often resulting in mere months of jail time for violent sexual offenders and predators. In some cases like this one in Airdrie the charges are completely dropped, and it is not as rare as the Premier says it is.

This Airdrie case is a wake-up call that real changes are needed and needed now. Let's bring in an independent investigator from another province to talk to those involved in this case, assess whether we need more Crown prosecutors and what other steps can be taken to ensure this kind of outrageous miscarriage of justice does not happen again in our Alberta.

We have the power to do something about this, hon. members. The time for words is over. It is now time for us to act on behalf of those precious little ones, who cannot act for themselves.

Managing Extractive Industries

Ms Kennedy-Glans: Mr. Speaker, at your kind invitation I participated last week in a global dialogue with a dozen other Commonwealth parliamentarians, elected representatives from jurisdictions also dependent on extractive industry revenues. The goal of this exchange was to explore ways to strengthen parliamentary oversight of extractive industries to ensure that the benefits are shared across communities and across generations. Other participants included ministers of energy from Western Australia; Queensland, Australia; elected representatives of parliaments from Zambia, Nigeria, Ghana, two states in India, Trinidad and Tobago, Bangladesh, and Uganda; and someone closer to home, a member from Saskatchewan's Legislature.

Mr. Speaker, members of this Assembly and Albertans across this province are concerned with the best means to budget and manage extractive sector resources. We face several challenges: volatile commodity prices and markets, finite nonrenewable resources balancing investment in sovereign wealth funds with ongoing infrastructure and human needs. Many of my constituents in Calgary-Varsity ask questions about these issues, and these questions have been the focus of ongoing conversations with Albertans hosted by the President of the Treasury Board and Minister of Finance.

Not surprisingly, Alberta is not the only jurisdiction facing these challenges. At this seminar participants could share experiences in a practical and constructive manner, supported by experts from the IMF and Revenue Watch. I cannot in two minutes provide a full report on this dialogue. However, a document summarizing the insights of participants will be finalized later this month, and I will ensure that that document and other materials available are shared with the House's Standing Committee on Resource Stewardship and with any other interested hon. members.

Thank you, Mr. Speaker.

1:50

Oral Question Period

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

Justice System Review

Ms Smith: Thank you, Mr. Speaker. It seems everything this government does needs to be investigated. The latest investigation required is because of a botched prosecution of a child abuser. He is free because of an overworked, understaffed Crown prosecutor's office – at least, that's what a lot of people are saying – but the Premier denies it. That's why we need an immediate, impartial, independent review rather than having her former department investigate itself. As the Premier pointed out yesterday, I'm no lawyer, but isn't it obvious to the Premier that you won't get the best result if the department investigates itself?

The Speaker: The hon. Minister of Justice and Solicitor General.

Mr. Denis: Thank you very much, Mr. Speaker. Like this member, I, too, was saddened by the recent events, and that's why I ordered an investigation into this matter last Thursday. Over the next two months if the investigation actually turns out that we require an outside prosecutor, an outside individual to come in, the

investigation will indicate that. I have full confidence in this institution and also in the independence of the judiciary.

The Speaker: The hon. member.

Ms Smith: Thank you, Mr. Speaker. That's progress, but it's not enough. Once again we get different information in the Assembly than we do in the newspaper. The government insists that an internal departmental review is enough, but her office staff are now saying that they may need to go deeper. We agree that an investigation into multiple cases of botched prosecutions needs to be done properly, completely, and independently. Now, I'm no lawyer, so maybe the Premier can explain why it is that she is opposed to having an independent, impartial review now?

The Speaker: The hon. minister.

Mr. Denis: Thank you very much, Mr. Speaker. As I indicated in my previous answer, I have every confidence in the current investigation, and if we have to bring in any outside parties, that investigation will indicate such.

It's more important to note that justice is not just about justice. It's also about healing. Over the last five years our civil forfeiture office has put in \$1.8 million of funding for victims, and I will proudly continue this regardless of the outcome of the investigation.

The Speaker: The hon. opposition leader.

Ms Smith: Thank you, Mr. Speaker. Here in Edmonton we hear as well that it took 10 years to deal with the case of a police officer charged with using excessive force. His punishment was mitigated because of delays attributed to the Crown. Now, I'm no lawyer, but isn't it obvious to the Premier that there is something wrong that warrants an immediate independent, impartial investigation now?

The Speaker: The hon. minister.

Mr. Denis: Thank you very much, Mr. Speaker. That is exactly, again, what we are doing. It is an immediate impartial investigation, and if there are outside parties that we have to bring in, that investigation will identify it. At the same time it saddens me, the lack of faith that some people in this Chamber have about our judicial system. I have full confidence in this review. Let's get to the bottom of it because one case – one case – is too many.

Ms Smith: Actually, we've now mentioned three cases, Mr. Speaker.

Health Services Expense Reporting

Ms Smith: On to another issue. Mr. Speaker, we're glad to see Dr. Chris Eagle has decided to pay back some personal expenses that he incurred as head of Alberta Health Services. Now, the amounts are relatively small, and they came under AHS's tough new expense policy, implemented last month. You have to wonder about expenses incurred by others before that new policy came into place and how much of those expenses are going to be paid back and how many expenses were offside at the multiple health regions before they became the AHS. To the Premier: why is it Alberta taxpayers can't have this information?

The Speaker: The hon. Minister of Health.

An Hon. Member: You be careful how you answer this one.

Mr. Horne: Thank you very much, Mr. Speaker. I think the questioner should be careful about how the question is asked.

The fact of the matter is that there has been no finding whatsoever that any of the expenses that Dr. Eagle chose to repay violated any of the policies or procedures that were in place at the time under the Calgary health region. The fact that Dr. Eagle has chosen to reimburse Alberta Health Services for the expenses is an example of his concern about public perception on this issue. I think we should congratulate him for doing the right thing, and I think we should recognize that it does not serve us well to undermine confidence in Alberta Health Services or its leadership.

Ms Smith: I did commend Dr. Eagle.

I'll ask the question again to the Premier because the Premier has bragged about raising the bar on transparency and accountability. She's even given speeches about it. Here is another opportunity to prove it. I'm asking the Premier: will she order the release of all health region executive expenses going back from 2005 all the way to today?

Mr. Horne: Mr. Speaker, we have in this province a Freedom of Information and Protection of Privacy Act that provides exactly the mechanism for access to all of the information the hon. member is referring to.

This government, this Premier have put in place the most aggressive, the most transparent policy around travel and expenses of any jurisdiction in this country. That has been called a gold standard by the Canadian Taxpayers Federation, an organization which the opposition loves to discuss in this Chamber and apparently relies very heavily on their opinion for assessments in these and other matters. We have the toughest policies in place today. The agencies, boards, and commissions that serve this government have all been asked and are expected to adopt these policies.

The Speaker: The hon. Leader of the Opposition.

Ms Smith: Thank you, Mr. Speaker. Initially it sounded like they were going to do that broader release, but then the Alberta Health Services Board chair said that it would be too expensive. Of course, if you're going to hire some big international accounting firm to do a forensic analysis – but that's not what we're asking for – they could simply post the expenses and let Albertans take a look. Premier, what is it the government is trying to hide?

Mr. Horne: Mr. Speaker, if the hon. member would care to check, there are well over a thousand pages of receipts that were posted last week by Alberta Health Services with respect to the expenses that she mentioned. This government has no intention of doing the hon. member's homework for her. We have the most aggressive and most transparent expense and travel policy in the country. It is there for all to see. The FOIP Act is available as a mechanism to look for things that the hon. member might be interested in further. They've made good use of that. We're interested in the health system of today and moving it forward, and we intend to do just that.

Provincial Fiscal Policy

Ms Smith: Now, Mr. Speaker, I know the Premier doesn't have an economics background, so I'm going to direct this next question to the Minister of Finance. While we wait for the minister to deliver on his promise to give us dates, times, places, and participants of the meetings the government held with the Katz Group lobbyists regarding arena funding, let's see if we can

find out what he's doing about the budget. We're pretty sure he's going to try to bury a lot of his capital borrowing by doing what he has called going to capital markets. We call it going into debt. Can the minister tell us how deep into debt is he planning to go?

Mr. Horner: Mr. Speaker, if the hon. member is asking me if we are intending on investing in schools, hospitals, roads like highway 63, the answer is yes, we are going to invest in those things. We've looked at what they would rather do, and that's defer the projects out into the future, when they will cost more by their own admissions. We're going to build them now, when Albertans need them, and if we have to borrow for highway 63, we will do so. We've already said that we will.

Ms Smith: I see the Finance minister has forgotten the paid-in-full sign that former Premier Ralph Klein presented to Albertans.

Mr. Speaker, energy prices remain low. The Bank of Canada's monetary policy looks out until 2014, and it now shows oil prices converging at \$90 a barrel, yet this government sees prices at \$108 a barrel. In other words, they're off by about 20 percentage points, yet there is no evidence of any adjustments in the government's spending plans to reflect this drop in revenue. To the Finance minister: why not?

Mr. Horner: Well, Mr. Speaker, it's rather shameful that this hon. member doesn't pay attention to the announcements of this government before she comes into this House and makes accusations like that. We've already announced that we've raised the in-year savings to \$500 million, a half-billion dollars off this year alone. We've already talked about what we're going to be doing with our capital plan as we move forward. We are adjusting to the economic conditions that we are facing, and we are doing it while building the vision that this Premier has for this province into the future and responding to Albertans' needs, not deferring them out into the future.

Ms Smith: Well, Mr. Speaker, unfortunately, the last fiscal update was nothing more than a flimsy collection of coloured graphs and wishful thinking. Albertans deserve the truth. The fiscal accountability act demands full disclosure. The minister has said that the information is too difficult for the media and most Albertans to understand. Will the minister give Albertans just a little bit more credit this time, obey his own law, and give us the full story in the next fiscal update?

2:00

Mr. Horner: Well, Mr. Speaker, I apologize if the graphs that were presented in that document were too complicated for the hon. member. We'll try and make that a little better for you.

Mr. Speaker, I find it interesting that the pretend budget that they brought forward on their website actually uses our revenue forecasts. We've changed ours. They haven't told us what they would have cut out of their budget. They haven't told us what school they would have cut. They haven't told us what hospital they wouldn't have built. They haven't told us what road they would have deferred for the next five or 10 years. We're going to build for today and for the future of this province.

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

Municipal Funding

Dr. Sherman: Thank you, Mr. Speaker. We teach our children the importance of keeping our promises. During the last election campaign the Premier promised a better deal for cities. The mayor

of Calgary has said publicly that he has a memorandum of understanding clearly stating the province's commitment to explore all avenues to reduce financial hardships faced by our big cities, a very liberal proposal. Apparently, it's all a misunderstanding as the Minister of Municipal Affairs recently denied municipalities any concessions on new funding or taxing powers. To the Premier: who is right, the mayor of Calgary or the Minister of Municipal Affairs?

Ms Redford: You know, Mr. Speaker, I'm so pleased to stand and answer that question, which is actually on government policy. What I want to say is that our Minister of Municipal Affairs is in the middle, right now, of negotiating what I think will be a new deal for cities that is truly going to make a difference to the lives of people in our cities. Now, I understand that one of the mayors of those cities believes that the solution is more taxes. It is not the view of this government, it is not the view of this minister, and we will not support that.

The Speaker: The hon. member.

Dr. Sherman: Thank you, Mr. Speaker. I appreciate the Premier recognizing a good question on policy, but I do have a problem with the fact that the Premier doesn't respect one of the mayors of our major cities.

Given that a big-city charter must include a decision on municipal finances and given that this government has yet again flip-flopped on a clear election promise made by this Premier, to the Premier: who's in charge, you or the Minister of Municipal Affairs, who reneged on your promise?

Ms Redford: The Minister of Municipal Affairs and this government and I are entirely aligned with the fact that there are people not in two cities in this province, Mr. Speaker, but in seven cities in this province that are committed to ensuring a better quality of life. Our first step forward with respect to big-city charters, looking at Calgary and Edmonton, is our first opportunity to work not only with mayors but with the citizens of those cities, with our Minister of Municipal Affairs, with council members in those cities to determine how to move forward. Everything is about effective delivery of services. It is not about taxation.

The Speaker: The hon. member.

Dr. Sherman: Thank you, Mr. Speaker. Alberta Liberals have been very clear that any discussion with municipalities needs to be based on three principles: respect for them being equal partners; sustainable, predictable revenue for them; and sharing the responsibility to meet the needs of all citizens. To the Premier: as your government continues to download responsibilities onto our municipalities, why do you still refuse to give our local leaders the revenue and respect and dignity that's rightfully theirs?

Ms Redford: Well, Mr. Speaker, I agree with the hon. member that those are principles with respect to any negotiations that we should have not only with city mayors in Calgary and Edmonton but with all municipal leaders and Albertans in general. What I will say is that as we look to what's happening in our two largest cities, we know that we have to think differently with respect to the delivery of services. One of the things that's so important not only in this discussion but in the work that our Minister of Human Services is doing with respect to social policy framework is how we ensure that the provincial government funding that is available is shared amongst communities to effectively support citizens. That's what this discussion is about.

The Speaker: The hon. leader of the New Democratic opposition, followed by Lac La Biche-St. Paul-Two Hills.

Lobbying Government

Mr. Mason: Thanks very much, Mr. Speaker. The Alberta College of Art and Design, a publicly funded institution, paid Tory insiders Joe Loughheed and Hal Danchilla \$150,000 to get privileged access to this Tory government. They used public money to get access to the very government that gave them the money in the first place. I can't imagine a worse waste of public money. To the Premier: why does the College of Art and Design have to use public money to pay überexpensive Tory insiders just to get the ear of this government?

Mr. Khan: Mr. Speaker, my job as Minister of Enterprise and Advanced Education is to travel the province and meet with our postsecondary stakeholders. I've spent a great deal of the past six months travelling this province, meeting with the boards, the board chairs, and the presidents of the institutions. I will continue to do so, sir, regardless of their government relations and who is serving in that capacity.

Mr. Mason: Well, Mr. Speaker, obviously, the minister is going to have to do a whole lot more travelling before he can answer a question in this House.

Given that the leaders of our educational institutions apparently need to hire Tory insiders and unregistered lobbyists to get the ear of this government, can the Premier explain to Albertans how her government has become so remote and so out of touch that its own public institutions need lobbyists to talk to it?

Mr. Denis: Mr. Speaker, it was this very government that in 2009 passed the lobbyists registration act. It is still in place to this day. There is a maximum fine of \$25,000. If the Member for Edmonton-Highlands-Norwood has an issue or has some inside information, I'd suggest that he report it to the Ethics Commissioner, who will actually look into it. The Ethics Commissioner doesn't report to me, doesn't report to the Premier, doesn't report to anyone here but to this whole House.

Mr. Mason: Well, heaven forbid that I would take an ethical issue to the front bench, Mr. Speaker. That would be a waste of time.

Given that the Alberta College of Art and Design paid Tory insiders \$150,000 of public money to get the ear of its own government, will the government hold accountable the college officials responsible for this ridiculous use of public money?

Mr. Khan: Mr. Speaker, as a newcomer to this Chamber I continue to be dismayed by members of the opposition parties continuing to drag respected Albertans through the mud. I would challenge the opposition: if you have courage in your convictions, sir, please make those allegations on the front steps of this building. Please do.

The Speaker: The hon. Member for Lac La Biche-St. Paul-Two Hills, followed by Barrhead-Morinville-Westlock. [interjections]

Speaker's Ruling Decorum

The Speaker: Hon. members, if you persist in these across-the-aisle conversations, that means I have to stand up and consume valuable time, and that means one hon. member will probably not get to ask his or her question later. So, please, let's respect

whoever has the floor. I've said before that you may not like the questions, and you may not like the answers, but the fact is that everybody has the right to offer them.

In that spirit, let's go to the Member for Lac La Biche-St. Paul-Two Hills, followed by Barrhead-Morinville-Westlock.

Lobbying Government (continued)

Mr. Saskiw: Thank you, Mr. Speaker. Every new week it seems the fingerprint of PC cronyism works its way through the fibres of our bureaucracy and publicly funded institutions. Today we found yet another instance. The College of Art and Design felt that the only way they could receive government funding was to pay their dues to the PCs. In fact, \$120,000 in taxpayer-funded dues went to two senior PC insiders. Not only does this smell; it reeks. Will this government now explain to the House why this college was squeezed to fall in line with this out-of-touch PC government?

Mr. Denis: Mr. Speaker, as I indicated in the previous exchange, the Lobbyists Act was implemented by this very government in 2009. If this member has any inside information, just like the Member for Edmonton-Highlands-Norwood he should talk to the Ethics Commissioner. Again, that person does not report to any individual minister, does not report to the Premier. This is in an independent officer of this Legislature. [interjections]

The Speaker: Hon. members, I asked you politely. Please, let's stop with the interjections. Some of you are on the list to ask questions later. If you wish to speak out of turn now, I will not recognize you later. Be warned.

The hon. member.

Mr. Saskiw: Thank you, Mr. Speaker. Given that the former president of the college states that the hiring of the two PC insiders to have meetings with people like the president of the PC Party, Bill Smith, led to some of their "greatest fundraising success" and expedited access, does this really strike the minister as a coincidence, or will he admit this is just more business as usual for an out-of-touch government?

2:10

Mr. Khan: Mr. Speaker, with due respect, if the members on the opposite side of the aisle did their research, they would find that ACAD has been funded with the exact same rate of increase as all of our Campus Alberta partners over the past number of years.

Mr. Saskiw: A really odd answer.

Given that one individual who was hired by the college was not registered as a lobbyist, will the minister commit to making public all meetings used to lobby this government, or will this culture of secrecy continue?

Mr. Denis: I think I'll just say this once and for all on this train. If this member, again, has any information, he should report it. Stop dragging people through the mud here. Take it to the proper channels and not this type of forum.

The Speaker: The hon. Member for Barrhead-Morinville-Westlock, followed by Calgary-Fish Creek.

Rolling Power Outages

Ms Kubinec: Thank you, Mr. Speaker. On July 9 the lights went out in Edmonton, Calgary, and Lethbridge, and Albertans were left stuck on amusement rides at the Stampede or in traffic

because Canada's energy province had rolling power outages. It was embarrassing that during the greatest outdoor show on Earth there were kids left dangling on rides while power companies struggled to keep pace with demand. To the Minister of Energy: how did this happen, and what explanation can you provide?

The Speaker: The hon. Minister of Energy.

Mr. Hughes: Thank you, Mr. Speaker. Well, on July 9 I also was in Calgary and witnessed the rolling outages. We saw what happened, which is a circumstance that has now been reviewed by the Market Surveillance Administrator, and we actually have the answers. A number of factors were in play. This is a report that has been released in the public domain. First of all, there was record demand for electricity because of the heat wave. Secondly, generator equipment issues caused by high temperatures caused some facilities to shut down. On the Stampede grounds themselves, though, they had their own little challenge that caused the electricity to shut down on the grounds.

The Speaker: The hon. member.

Ms Kubinec: Thank you, Mr. Speaker. To the same minister. When the rolling outages occurred, there was speculation that it was because of market manipulation or collusion. Was this the case?

The Speaker: The hon. minister.

Mr. Hughes: Thank you, Mr. Speaker. Well, you know, there's always an opportunity for a good conspiracy theory, particularly by certain members of this House, but the facts are clear. The facts are clear. I repeat: there was no evidence of market manipulation. This is the judgment of the independent Market Surveillance Administrator.

Ms Kubinec: Again to the same minister: what is the minister doing to make sure that this will not happen again?

Mr. Hughes: Well, Mr. Speaker, in fact, if you look at the evidence in the province, the important aspect in an electricity system ensuring that we have adequate capacity requires the investment by many private-sector players. If we reflect back over the evidence of the last 10 or 15 years, there has been plenty of investment by plenty of private players. We're extremely well served by the system we have in place today.

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

Mandatory Reporting of Child Pornography

Mrs. Forsyth: Thank you, Mr. Speaker. On April 19, 2010, this Assembly passed a private member's bill I put forward, the Mandatory Reporting of Child Pornography Act. This act is simple and straightforward to mandate the reporting of child pornography. During debate on this bill the now Minister of Justice said, "I am going to strongly support Bill 202 and encourage other people to do the same." To the Minister of Justice: why have you not proclaimed this act to protect our children?

The Speaker: The hon. minister.

Mr. Denis: Thank you very much, Mr. Speaker. Since that time the federal government has passed a similar act that has different

reporting requirements, that my department is currently studying. But I want to thank this member for her continued passion in dealing with issues regarding the protection of children. It's much appreciated. It's felt by our department as well.

Mrs. Forsyth: Minister, it was passed by us two years ago.

Given that the same minister said that Alberta "requires a proactive measure such as Bill 202 to protect our children from these predators," not the federal government but Alberta, when will you actually provide the protection our children need and proclaim this act?

Mr. Denis: Mr. Speaker, as I've indicated, in the two years that have passed since that time, the federal government has passed a similar bill. If we actually go and proclaim this bill, this bill goes and supersedes the federal piece. At the Justice ministers' meeting last week in Regina this was a matter of discussion that we are continuing on with the federal government.

Mrs. Forsyth: Minister, it's called protecting our children. This government has never been afraid to challenge anything that the federal government has done. When will the minister drop the excuses and start protecting our children?

Mr. Denis: Mr. Speaker, one thing that we are actually looking at right now is whether or not the federal bill provides greater protection than this member's bill. Regardless, I think it's time for this member to realize that this is a Canada-wide issue and that, perhaps, the federal bill is the one where we need to look. If we go and proclaim her bill, what will end up happening is that it will supersede the federal legislation, and I'm not sure that's exactly where we want to go in the best interests of our children in this province.

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

Primary Care Networks

Mr. Bhardwaj: Thank you very much, Mr. Speaker. Primary care networks perform an extremely vital role in our communities in delivering the health care system to Albertans. Since their introduction several years ago PCNs have been struggling to be recognized as part of the master agreement. All of my questions are to the Minister of Health. Is this government planning on replacing PCNs with family care clinics?

The Speaker: The hon. minister.

Mr. Horne: Thank you, Mr. Speaker. The answer is emphatically no. In fact, there are over 40 primary care networks across the province. In keeping with our government's commitment to PCNs, last year we introduced a \$12 increase in the per capita amount that's paid to PCNs. They have a critical role in delivering primary health care in the future as will FCCs.

The Speaker: The hon. member.

Mr. Bhardwaj: Thank you very much, Mr. Speaker. My next question to the same minister: will the minister clarify to all of my constituents, where we have many PCNs, and to all Albertans the real difference between the PCNs and the family care clinics?

Mr. Horne: Well, Mr. Speaker, I can certainly assure the hon. member that this government has every intention and, in fact, a very a sound plan to improve the level of all primary health care

that's delivered across Alberta. We've talked before in this House about our intention to ensure a greater consistency of services across the province so that all Albertans can rely on a base level of primary health care accessible in or near their own community. Both PCNs and FCCs will play a critical role in doing this. We'll be guided by plans that are developed by communities, and we'll work to support both models in delivering better access to care.

The Speaker: The hon. member.

Mr. Bhardwaj: Thank you very much, Mr. Speaker. My final question to the same minister: given that Alberta already spends a lot of money on health care and given that Alberta already has a shortage of health care workers, how do you plan to pay for and staff the family care clinics?

Mr. Horne: Well, Mr. Speaker, it is true that we invest a great deal of resources in primary health care across the province. Support for primary care networks is above \$180 million at present. We expect to continue to invest more in the future. The most important thing I would say to the hon. member is that the goal of this exercise is to broaden access and, in doing so, help us to stop doing things in the hospital that we can and should be doing in the community.

Speaker's Ruling Decorum

The Speaker: Hon. members, I've asked you to please stop the conversations across the bow, yet you continue to do it, and it's becoming terribly rude. We have people who are here trying to listen to questions, trying to listen to answers, yet some of you are engaging in this across the bow. Please stop offering the bait, and, others, please stop taking it.

Let us carry on. Calgary-Mountain View, followed by Edmonton-Strathcona.

Child Poverty

Dr. Swann: Thank you very much, Mr. Speaker. Children cannot wait. Deprivation each day in Alberta for 70,000 children, including aboriginals, means failure to develop fully, learn, and succeed as well as suffer preventable illness. This is the most important responsibility of government. The Premier has promised to eliminate child poverty in five years and cut this huge loss of human potential and societal loss. To the minister: given the variety of definitions of poverty how do you define child poverty?

The Speaker: The hon. minister.

Mr. Hancock: Thank you, Mr. Speaker. I appreciate such an important issue being brought to the floor of the Legislature today. There is nothing more important than ensuring that our children have a good start in life. Many children in Alberta have strong families. They have families that can support them, and they get to go to school with breakfast in their tummies, ready to learn. But for so many Alberta children we've got more to do. The Premier has promised that we'll end child poverty. That's a very, very lofty objective, but it's a very, very important challenge. By starting with the Department of Human Services and talking about the fundamentals of society, we're beginning that journey.

2:20

The Speaker: The hon. member.

Dr. Swann: Thank you, Mr. Speaker. I do hope that the minister will come up with a definition so we can define the benefits to make good on the Premier's promise to eliminate child poverty, including aboriginal children.

Financial resources are needed to ensure that these children grow up healthy. With a \$3.5 billion deficit this year where does the minister plan to find the money? [Mr. Hancock gestured at the Minister of Finance]

Mr. Horner: Good luck.

The Speaker: The hon. minister.

Mr. Hancock: Thank you, Mr. Speaker. We do have to keep a sense of humour about us because some of the challenges that we have are so very, very important and some of the situations that children are in are very tragic.

The hon. member asked me to define poverty. In fact, that's one of the problems we have. There are so many people going around trying to define what poverty is. I think we need to focus on what kind of a society we want to have and how we ensure that every child has the opportunity in Alberta to reach their potential and take advantage of the opportunities that we have here in this province.

Dr. Swann: Well, I'm not sure if the others heard, but I heard the Finance minister say: good luck. That's unfortunate for our children. Ensuring that children do not live in poverty is a noble goal, but without plans, without a commitment to it and no appetite to ask the public to pay, is this not simply an empty promise as children lurch from crisis to crisis in this province?

Mr. Hancock: No, Mr. Speaker, it's not an empty promise. This Premier has promised and this government has promised that we will work with Albertans. We are working with Albertans and discussing a social policy framework that helps us to understand what kind of a society we want to have and how important it is in that society for each and every child to be able to reach their potential. That means all of us, not just government, not just this government. All governments, all societies, all individuals have to come together to deal with this important societal problem. It's not one to make light of. Yes, I did make a bit of a joke; I think it's important for us to keep our sense of humour. But it's really important for us to make sure that every child has the opportunity to succeed.

Children in Care

Ms Notley: Mr. Speaker, since 1997 the children's advocate has repeatedly identified one issue on which this government is failing. The number of aboriginal youth in care is growing every year. Yet 15 years later, according to the advocate's report of yesterday, "there has still been no concrete action plan developed and implemented." To the Minister of Human Services: why not?

Mr. Hancock: Mr. Speaker, it would be helpful if the hon. member would read the whole report in which the Child and Youth Advocate talks about the advances that have been made, the fact we have hired an assistant deputy minister responsible for aboriginal relations, that we have focused conversations with the stakeholders right across the province, building the relationship that's so necessary. If you want to have a culturally sensitive approach to aboriginal children in care, having those relationships, building the opportunities for foster families in aboriginal communities, building the opportunity for permanence: those are

so very important. It can't be done if we just set a top-down structure. We have to build those relationships, and we have to deal with those communities.

Ms Notley: Well, Mr. Speaker, 15 years later and no plan.

Now, given the advocate's report also points out that actions taken by the ministry to address neglect are "not evident" and given that the ministry's focus on family support has decreased in the face of growing emergent child protection demands, why won't the minister admit that additional resources are required to support our vulnerable families before child protection becomes necessary?

Mr. Hancock: Mr. Speaker, additional resources are necessary to support families before child protection is necessary. That's a fundamental. The focus of the whole child and family enhancement act is to support families and strengthen families so that they can properly take care of their children, they can get through their troubled times, whether they're sporadic or chronic. They can be there to support the families and, if that doesn't work, then to deal with apprehending a child or taking a child out of a circumstance where they may be in danger. But absolutely we need to put our first focus on supporting families and making sure that families are strong so their children can be strong.

Ms Notley: Given that social workers have begged this government to deal with workloads for years and given that yesterday's report also identifies failures that can only be fixed with more resources like giving caseworkers time to help kids with building relationships and working with families to reduce neglect beforehand, why won't the minister commit to demanding publicly additional resources – additional resources – so his ministry can start the work necessary to protect our most vulnerable children?

Mr. Hancock: Well, because, Mr. Speaker, I don't start by demanding more resources. I start by saying: "Are we making the most effective use of the resources we have? Are we doing everything we can to ensure that our children have that opportunity?"

I want to say this. We have 7,000-plus employees in the Department of Human Services, and they're doing very good work each and every day. We can read about the reports, and we want to have the reports to talk about what we could do better and how we could do more. But I want to say here and now that the resources we're putting in place are allowing Human Services employees to help families each and every day in this province.

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

Lobbying Government

(continued)

Mr. Bikman: Thank you, Mr. Speaker. Unfortunately, municipalities are not the only ones who have to beg favours from this out-of-touch PC government. Today we heard that a postsecondary institution in Calgary has been paying a PC insider a monthly fee to score big cheques from the government. In other words, they're giving tax dollars to PC insiders to try and get more tax dollars from PC insiders. To the Minister of Enterprise and Advanced Education: just how inaccessible are you that postsecondary institutions have to pay PC insiders just to get you to listen?

The Speaker: The hon. minister.

Mr. Khan: Thank you, Mr. Speaker, and thank you for the question, hon. member. Apparently, the hon. member hadn't listened earlier to some of the conversation we've had today, so we'll take another run at this question for the hon. member. It's my job to travel the province and meet with our postsecondary stakeholders regardless of who manages their government relations. It's a job I take very seriously, and it's a job I've been working very hard at for the past six months. To suggest that there's some type of graft or corporate corruption going on is an insult to our postsecondary stakeholders, to the hard-working people at these postsecondaries, and to the students who value those institutions.

The Speaker: The hon. member.

Mr. Bikman: Thank you, Mr. Speaker. Perhaps the minister is not aware that his job is to fund postsecondary institutions based upon objective need, not political favour. Again to the minister: given that the former president of the institution in question raved about the success his Tory lobbyist had in securing taxpayers' goodies from this government, can the minister give some kind of indication on which other postsecondary institutions lost out on funds because this particular one had friends in high places?

Mr. Khan: Mr. Speaker, again, unfortunately, we have a redundant question. The answer is the same. Had the hon. member done his homework, he would see that the institution in question is funded at the same rate of increase as all of the other 26 members of Campus Alberta.

The Speaker: The hon. member.

Mr. Bikman: Thank you, Mr. Speaker. Given that the PC culture of corruption has led to institutions being forced to pay money to a political party to gain access to a minister and given that this appears to be the case even within the so-called government family, will the Minister of Enterprise and Advanced Education explain to Albertans why PC Party fundraising plays a role in his ministry?

Mr. Denis: Mr. Speaker, as the minister of advanced education mentioned, this question has been asked and answered. The Ethics Commissioner does not report to me. He does not report to anyone else. He is fully independent. It's not my job to police him. If the Member for Cardston-Taber-Warner has some specific information, I encourage him – in fact, I insist that he go to the Ethics Commissioner today.

The Speaker: Edmonton-Riverview, followed by Chestermere-Rocky View.

Disaster Assistance

Mr. Young: Thank you, Mr. Speaker. Each year we look to the sky and in our way pray for our families, our health, sun, rain, and success but, more importantly, to be free from disasters. However, disasters do occur. Property is damaged; lives are lost. Recent history such as flooding in Youngstown, in Edmonton even this past summer, and the disaster of Slave Lake tell us that they occur far too frequently. Now, we don't know when or where the next disaster will hit, but each year they do occur. To the Minister of Finance and Treasury Board: why is it that our budget fails to account for reasonable costs of disasters?

Mr. Horner: Well, Mr. Speaker, that is a very interesting question, and it's something that we have considered. Should we

allocate limited taxpayer dollars to spending that may or may not occur, thereby taking it away from some of the other priorities that Albertans have? We do have a process in place for when these disasters occur, and they are many and varied. We have a process to deal with them and to pay for them. We prefer that approach at this time instead of setting aside money that may or may not be used and thereby taking it away from priorities of Albertans.

2:30

The Speaker: The hon. member.

Mr. Young: Thank you, Mr. Speaker. Will the minister commit to including reasonable budget costs for disasters and the provision that in years with few disasters budget amounts in excess will be carried forward to build a reserve for years that have more disasters so we don't face overruns?

Mr. Horner: Well, Mr. Speaker, I'm not prepared to commit to that today. We are in the process of the budget, and we've also been in the process of looking at that renewed fiscal framework.

I would note that one of the purposes of the sustainability fund is exactly that: to be there specifically to provide for unanticipated spending on emergencies and disasters. To that end, it has performed extremely well.

The Speaker: The hon. member.

Mr. Young: Thank you, Mr. Speaker, given that we do spend large dollars on disaster funding from year to year, to the Minister of Municipal Affairs: what guidelines are in place to ensure that the supports for disasters don't become financial disasters unto themselves?

The Speaker: The hon. associate minister.

Mr. Weadick: Thank you, Mr. Speaker. That is a very good question. Disasters do happen, and we can't predict them, but we are here to support Albertans at those very important times like the fire that happened in southern Alberta this year, which threatened many homes and families there. Many losses are insurable losses, and those are covered by insurance companies. We're here to support homeowners and Albertans in replacing what they have lost that is uninsurable. It's a manageable amount, but it's very difficult to predict.

The Speaker: The hon. Member for Chestermere-Rocky View, followed by Lethbridge-East.

School Fees

Mr. McAllister: Mr. Speaker, thank you. More troubling news for parents on the issue of school fees has just come to light, with the Calgary board of education revealing that it collected \$2.8 million more than it needed to in transportation fees last year. In other words, parents paid nearly \$3 million more out of their pockets than they had to for busing fees. To the Education minister: does this concern you, and what would you propose you do about it?

Mr. J. Johnson: Mr. Speaker, yeah, it's a little bit concerning, but I would suggest the hon. member talk to the CBE about it. My understanding is that when their budgets come back – and keep in mind that they're running about a \$1.2 billion budget – if there are any surpluses, they get invested in the transportation budget in the following year, so it goes right back in to eliminate fees that parents would have to pay in the future.

Mr. McAllister: And here I thought the government's job was to represent Albertans, Mr. Speaker.

Given that this is the same school board that has a collection agency chasing 3,000 sets of parents for unpaid fees, can the minister understand that parents are starting to get confused as to which fees are actually legitimate and which aren't? Can you understand parents' frustration on this issue?

Mr. J. Johnson: Mr. Speaker, the frustrating part of this issue is the flip-flops from the members opposite. Let me read you a quote from an article that was published by their leader: they can find ways to live within the resources taxpayers already devote to education, or they can pay for these extras themselves. Out of the same article: user fees are precisely what's needed. This is what the Leader of the Opposition wrote. Then a few nights ago the Member for Innisfail-Sylvan Lake said, "Albertans should never have to pay a mandatory fee for anything." So I'm not sure what the policy is from across the aisle, but I'll tell you what we want to do. We want to have a dialogue with parents, and that's why we've put the ability of the Education Act to deal with this in regulations.

Mr. McAllister: Mr. Speaker, I see why it's called question period and not answer period. Anybody watching knows you have no intention of answering the question.

Given this government wastes hundreds of thousands of dollars on unused hotel rooms, given the government spends billions of dollars on private projects that we don't need to, could it be, Mr. Speaker, that the government is shortchanging boards by mixing up its priorities and not allowing boards to do what they need to do and, in effect, punishing parents with hidden fees?

Mr. J. Johnson: I'm not sure if that was a spending question or a cutting question. On one hand we're being told there's a surplus that we've got to deal with, and on the next hand we're underfunding education. Mr. Speaker, we put a lot of trust in teachers and in school boards every day, and they're entrusted locally to make those decisions. We think that school fees are something that we do need to discuss, and that's why we put right in the Education Act that the minister has got the ability to set regulations around those fees. We want to go out and talk to parents about that, and I think that's where we should be having this discussion and not in the Assembly.

The Speaker: The hon. Member for Lethbridge-East, followed by Little Bow.

Urogynecology Wait Times

Ms Pastoor: Thank you, Mr. Speaker. I'm repeating this question because I believe in its importance. I'm a nurse, and although this topic doesn't embarrass me, there may be a few in this House that will squirm. Maybe that's why thousands of Alberta women are living in needless discomfort. Childbirth, heavy lifting, and, yes, lack of exercise can cause bladder and uterine prolapse into the birth canal. This condition causes incontinence, repeated bladder infections, and often severe pain and sometimes immobility. To the Minister of Health: why are the women in this province waiting for as long as two years plus – and now at this point it might be three – to receive the surgical procedures needed to correct the most serious case of bladder and uterine prolapse?

The Speaker: The hon. Minister of Health.

Mr. Horne: Thank you, Mr. Speaker. This is an issue that I've discussed with the hon. member as well as professionals who work in this field, urogynecologists. As the hon. member may know, there is a shortage of urogynecologists in Alberta. The waiting times for the procedures that she mentioned are long. They are much longer than we would like them to be. Alberta Health Services has established an internal team focused on women's health that is looking at this issue. I can tell you that I would agree entirely with the hon. member that women are waiting far, far too long for this procedure, and we know that the impact on quality of life can be very significant.

The Speaker: The hon. member.

Ms Pastoor: Thank you, Mr. Speaker, and thank you to the minister, who answered part of my question. Yes, we have had conversations about it.

My next question would be: could we add to the online wait time registry so that women could at least see where they are in that lineup for these very lengthy waits?

Mr. Horne: Well, Mr. Speaker, I can certainly take that up with Alberta Health Services and get back to the hon. member. As the hon. member knows, urogynecology is a subspecialty, and although the women who are waiting for this are affected profoundly by the wait, there are a smaller number dealing with a smaller group of subspecialists than other procedures that we more commonly provide.

I think, Mr. Speaker, part of the answer to this, as well, is opening up more operating room capacity. In Calgary, for example, the south Calgary health campus, when fully open in the spring, will provide additional operating room space. That coupled with a renewed effort to recruit more specialists in this area is, I think, ultimately what we need to do to reduce the wait times.

The Speaker: The hon. member.

Ms Pastoor: Thank you, Mr. Speaker, and thanks to the minister. You've basically answered my third question. We really have to fast-forward this process. I know that AHS is working on it, but I would like to see some kind of a time frame put on it when they have to come forward with their report.

Mr. Horne: Mr. Speaker, as I said, I will discuss this matter with Alberta Health Services and get back to the hon. member. I will include in that discussion an indication of an appropriate and achievable time frame to address this issue.

The Speaker: The hon. Member for Little Bow, followed by Fort Saskatchewan-Vegreville.

Municipal Taxation

Mr. Donovan: Thank you, Mr. Speaker. In 2007 the report to the Minister's Council on Municipal Sustainability was offered by the mayors of the day of Edmonton and Calgary and members of the AUMA and AAMD and C to the past Minister of Municipal Affairs. The title transfer tax was raised and buried at the time, and reading the *Calgary Sun* dated November 2, 2012, I see the new mayor of Calgary has raised this issue again. Will the Associate Minister of Municipal Affairs please clarify with this House: will there or will there not be a title transfer tax allowed?

The Speaker: The hon. associate minister.

Mr. Weadick: Well, thank you, Mr. Speaker. I'm very pleased to rise and speak to this particularly important issue. We know that the mayor of at least one large city has speculated about new taxing authorities that they would like to see. We on this side of the House understand there is one taxpayer. There's only one taxpayer in this province, and we realize that they already feel overtaxed. Our new civic charters are not about creating new taxes.

The Speaker: The hon. member.

Mr. Donovan: Thank you, Mr. Speaker. I have a newsletter, which I'll be tabling here, from the Alberta real estate board that states that they are very concerned about the land transfer tax, which equals, basically, a homebuyer's tax. Given that even at 1 per cent the average home would cost another \$3,600 more to buy, to the associate minister: would you please reassure all Albertans that the province and the cities will not try implementing any kind of these taxes?

2:40

The Speaker: The hon. minister.

Mr. Weadick: Thank you, Mr. Speaker. I am aware that these types of taxes have been used in other parts of Canada, but we have been very, very clear. We are not talking about new taxes; we're talking about how to take the best advantage of the funding that's in place now. The mayor of one of our large cities said: we believe there is enough funding in the system to fund the necessary programs. I can say unequivocally that there will not be a land transfer tax.

The Speaker: The hon. member.

Mr. Donovan: Thank you, Mr. Speaker, and thank you to the associate minister because that's very key and crucial to my next question. Would you please, then, author a letter to the Alberta Real Estate Association board to confirm that this will never happen during this government's tenure?

Mr. Weadick: Mr. Speaker, I'm pleased to take that under advisement. We have made that statement very clearly in the House today. This is public. There will not be a land transfer tax. We will stand by that.

The Speaker: Hon. members, that concludes Oral Question Period. In 15 seconds from now we'll reconvene with Members' Statements, and it will be Calgary-Glenmore up first.

Members' Statements

(continued)

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

Literacy

Ms L. Johnson: Thank you, Mr. Speaker. I rise today to acknowledge the hard work of literacy tutors, facilitators, and learners in Alberta. Recently the Literacy & Learning Symposium was held here in Edmonton, a joint effort of the Community Learning Network, the Centre for Family Literacy, and Literacy Alberta. Over 300 tutors, facilitators, and adult learners participated so they could both strengthen and continue the hard work done throughout the province. The opening address was delivered by the Premier, and sessions throughout the symposium addressed such topics as community engagement, what the

connection is between literacy and health, and supporting Alberta's next generation economy.

Mr. Speaker, because of the actions of the hosting agencies and others adult learners are improving their literacy skills, increasing their community involvement, and expanding their employment prospects with additional career training. This also means that these Albertans along with their families and their communities are able to realize their full potential and participate in the economic success of this great province.

UNESCO defines literacy as "the ability to identify, understand, interpret, create, communicate and compute, using printed and written materials... with varying contexts." Literacy is an essential skill that affects an individual's quality of life at home, at work, and in social situations. Unfortunately, too many Canadians do not have the appropriate level of these essential skills. Mr. Speaker, this is a reality within both the Canadian-born and the new-Canadian communities.

As this is Financial Literacy Month, I would like to congratulate again the Community Learning Network, the Centre for Family Literacy, Literacy Alberta, and other agencies involved in literacy projects for the good work that they are doing and thank them for their successes to date assisting adult learners.

Thank you, Mr. Speaker.

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

Travel Alberta Alto Awards

Mrs. Jablonski: Mr. Speaker, tourism is the third-largest industry in Alberta, generates \$5 billion a year, and employs more than 90,000 people. This Legislature is very proud of the awesome organizations and individuals who received this year's Travel Alberta awards. On October 22 Travel Alberta hosted its 12th annual industry conference, and the hon. Minister of Tourism, Parks and Recreation presented awards to organizations and individuals whose enthusiasm is contagious and whose passion for Alberta and our tourism industry is inspiring.

The winners included Stoneridge Mountain Resort in Canmore for service excellence, Head-Smashed-In Buffalo Jump in Fort Macleod for sustainable tourism, Banff Lake Louise Tourism and the town of Banff for tourism community of the year, Edmonton's Ice on Whyte Festival for the Alberta pride award, Ms Lola Brown for her story Come to Calgary!, Tourism Calgary and the Calgary Philharmonic Orchestra for their singing tweets marketing partnership, and the Calgary Stampede's We're Greatest Together marketing campaign. And Tourism Red Deer won two awards, one for the 2012 Scotties Tournament of Hearts outstanding online marketing campaign and one for the exciting central Alberta Country Drive marketing campaign as well.

Last but not least, Mr. Randy Bertrand of Devon was recognized as one of our greatest tourism ambassadors. Thanks to his vision and dedication tourism is becoming the largest economic driver in his town.

We are so fortunate to have dedicated, enthusiastic, and passionate people like this who are driven to make our province and this industry even better year after year. I ask all members to join me in congratulating them for a job well done.

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

Driving Competence Test

Mrs. Towle: Thank you, Mr. Speaker. Confusion over the DriveABLE program seems to be running rampant. It's a test

some seniors are forced to take when renewing their driver's licence at a cost of up to \$300, a test that's long been complained about, that is unfair, inaccurate, and ineffective.

Yesterday in question period the Minister of Transportation told the House that the DriveABLE program was under a review by his department. This was a very surprising and interesting piece of information for me to hear because up until yesterday I and other concerned Albertans were told that the Department of Transportation had nothing to do with DriveABLE. In fact, not so long ago the now Minister of Health wrote in a letter to a seniors' advocacy group that DriveABLE was a private company with no affiliation with the government of Alberta.

Mr. Speaker, this is the basis of the confusion. How can one minister say that the government will review DriveABLE, yet the other minister says the government has nothing to do with DriveABLE? The only thing clear about this situation is that both the Minister of Health and the Minister of Transportation are confused and, clearly, inconsistent.

Concerns about DriveABLE are not new to this government. These concerns regarding seniors' independence and privacy did not just come out now from the woodwork. Seniors have been voicing their concern about this program for a significant time. For the minister to now say that DriveABLE is under review is quite an admission.

Not long ago DriveABLE was a pilot project, a private company doing some research. However, now somehow it's under the wing of the Minister of Transportation and under a reviewable mandate of that minister. If that's truly the case, Alberta's seniors will be shocked to hear that at the same time they were bringing their concerns forward about DriveABLE, the government was quietly establishing itself as official judge, jury, and executioner of the seniors' driving privileges and ultimately their independence. This has raised many questions amongst Albertans. Most importantly, what is the appeal process? Unfortunately, instead we're left with no answers.

Thank you.

Tabling Returns and Reports

The Speaker: The hon. Minister of Health.

Mr. Horne: Thank you, Mr. Speaker. I'm pleased to table the requisite number of copies of the 2011 College of Physicians & Surgeons annual report, entitled Good Medical Practice: It's What We're All About. The report discusses a new strategic plan for the college, a new online program developed to introduce new registrants to the college, and describes the 3.3 per cent increase in physicians registered for independent practice in that year.

Thank you, Mr. Speaker.

The Speaker: The Associate Minister of Seniors.

Mr. VanderBurg: Thank you, Mr. Speaker. I'm pleased to table the requisite number of copies of the 2011-12 Alberta College of Occupational Therapists annual report on behalf of the Minister of Health. The report illustrates the college's and the therapists' commitment to fulfill the Alberta commitments to health.

Thank you, sir.

The Speaker: The hon. Member for Little Bow.

Mr. Donovan: Thank you, Mr. Speaker. I have three things to table. Five copies of Concern: Land Transfer Tax = Home Buyers' Tax, which I referred to earlier, from the Alberta Real Estate Association.

I have five copies of the Friday, November 2, *Calgary Sun* article I talked about, the Municipal Affairs minister.

And then from last night's debate I have five copies of the Strathcona county minutes from the June 28, 2011, regular meeting.

Thank you.

The Speaker: Thank you.

The hon. Member for Edmonton-McClung.

2:50

Mr. Xiao: Thank you, Mr. Speaker. As chair of the Standing Committee on Legislative Offices and in accordance with section 4(2) of the Election Finances and Contributions Disclosure Act I would like to table five copies of the 2011 annual report of the Chief Electoral Officer. The copies will be provided to all the members of this Chamber.

Thank you.

The Speaker: Edmonton-Calder, please.

Mr. Eggen: Thank you, Mr. Speaker. I would like to table the appropriate number of copies of 202 e-mails regarding Monterey Place in Calgary, where 90 workers have been locked out since June 26 by Triple A Living Communities. These e-mails highlight that this private facility receives a financial subsidy from the government, and we would like to see the payment of the workers at Triple A be comparable to the public sector.

Thank you.

The Speaker: The hon. Member for Fort Saskatchewan-Vegreville.

Ms Fenske: Thank you, Mr. Speaker. I would like to table five of the appropriate copies of an e-mail that I referred to in my remarks last night with respect to Bill 2.

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

Mr. Bilous: Thank you, Mr. Speaker. I'd like to table the appropriate number of documents related to the Alberta College of Art and Design's lobbying activities with the provincial government. The first document is a contract between the Alberta College of Art and Design and a Tory insider, which shows that the college wished to obtain access to the Minister of Advanced Education.

The second is a \$50,000 purchase requisition from the Alberta College of Art and Design for community and government relations.

The third document is a statement of account from Fraser Milner Casgrain to the Alberta College of Art and Design for services from a PC insider in relation to a meeting with the PC Party president among others.

The fourth and final document relates to expenses, including expenses for representatives for the Alberta College of Art and Design to attend the Calgary Premier's dinner.

The Speaker: The hon. Member for Calgary-Mackay-Nose Hill.

Dr. Brown: Thank you, Mr. Speaker. I'm pleased to rise and table the appropriate number of copies of a notice of amendment regarding Bill 202, which I referenced in my speech yesterday.

Orders of the Day

Government Bills and Orders Committee of the Whole

[Mr. Rogers in the chair]

The Chair: I call the Committee of the Whole to order.

Bill 2

Responsible Energy Development Act

The Chair: I believe that the hon. Minister of Energy has 14 minutes left to speak. I recognize the hon. Minister of Energy.

Mr. Hughes: Thank you very much, Mr. Chair. I've been following the debate surrounding Bill 2, obviously with great interest, and I appreciate the very constructive input from members on all sides of the House. As a new member of this Assembly I'm very delighted to be part of this whole process. Of course, my family has a long and rich history in this province, and I'm pleased to be supporting and bringing forward to the Legislature a bill like the Responsible Energy Development Act.

We've heard a lot about the bill in the past two weeks, but I want to take us back for just a moment to the beginning of this important project. The Responsible Energy Development Act has always been about creating an efficient and effective single energy resource regulator. When my colleague from Drayton Valley-Devon first embarked on this endeavour two years ago, it was to ensure that Alberta remains a competitive and internationally respected place to do business.

Alberta has been blessed with immense resources, and our stewardship of those resources is a responsibility none of us take lightly. It's a responsibility we owe to Albertans today and to future generations to come. It's all about finding that balance, Mr. Chair, that balance between environmental stewardship, economic development, and respect for landowners.

We also want to remain an attractive place to do business, though, Mr. Chair. We want it to continue to be a good place for good jobs, to build the economy so we can continue to invest and have the resources in the public domain to be able to invest in education, in health care, in caring for seniors, and other important infrastructure. There are billions of dollars' worth of investment in play here that this new regulatory organization will oversee, and it's extremely important to the quality of life of all Albertans. That's why the timing of this new regulator couldn't be better.

The new regulator for oil, gas, oil sands, and coal will be a one-window approach to energy regulation, something our province needs and which has received support from both sides of the floor. What we're talking about here is bringing together the regulatory functions of the Energy Resources Conservation Board and the Ministry of Environment and Sustainable Resource Development for energy resource activities.

As I've followed the debate, I've heard questions about how the bill will affect landowners. These are important questions. Landowners' interests are vital. We have spent two years engaging landowners and other stakeholders in discussions about the current energy resource regulatory system, and we listened to what they had to say. In particular, Bill 2 makes important provision to ensure that landowners have timely information about proposed energy activities.

As you'll note in section 31, this new regulator will be required to give Albertans notice about all project applications that it receives. This is not something that's currently required, Mr. Chair, and it confirms that we listened to community members, to landowners, First Nations, and others who had concerns about the existing regulatory agencies in the province. Every potentially affected Albertan can then submit a notice of concern directly to the regulator.

Based on the issues raised in debate, I'm going to propose an amendment to clarify that the regulator must provide public notice of an application. In this regard, I want to assure Albertans that

they will be heard, because I think that there is some confusion on this point as indicated by the debate.

I'm going to propose an amendment to section 32 to clarify that any person who believes that they may be directly and adversely affected by an application may file a statement of concern with the regulator. This clarity is important. The ability of Albertans to inform the regulator of their concerns is critical so that the regulator will have good information at the front end of the process to take into account all concerns as it begins to consider any particular application.

In the current regulatory system providing notice of proposed energy activities is not always required, and Albertans do not always have the opportunity to inform the regulator of their concerns, at least not at the front end of decision-making. This often results in challenging a decision that has already been made. Bill 2 provides a better opportunity for Albertans to be informed and to have input into proposed energy resource activities.

3:00

Bill 2 also provides for important appeal processes. In the current system Albertans and landowners use the existing appeal mechanisms for the reasons I stated a moment ago. Because decisions are often made without hearings, the only recourse left is to appeal decisions. Through Bill 2 the regulator is able to involve Albertans and landowners much earlier on in the process.

The Chair: Hon. minister, if I may, would you please just pause for a moment and distribute the amendment and then return to speaking?

For the record you actually had 20 minutes, so you have some 14 and a half minutes left.

Mr. Hughes: Thank you very much, sir. That's an expansion on the earlier instructions.

The Chair: We'll have the amendment distributed. Please continue, hon. minister. Thank you.

Mr. Hughes: Thank you, Mr. Chairman. Through Bill 2 the regulator is able to involve Albertans and landowners much earlier on in the process, before decisions are made, as I was saying. If you have the right to appeal to the EAB today, you will have the right to request a regulatory review tomorrow. It is also important to note that unlike in the ERCB system today hearings will be conducted by hearing commissioners who are appointed separately and quite independently from the board and the CEO of the regulator. This provides an additional element of independence. The structural change drastically reduces the potential for conflicts and supports fair decision-making.

I think there is some confusion about whether or not the reference in the bill to regulatory reviews is, in fact, an avenue of appeal. Regulatory reviews are a form of appeal. To clarify this, Mr. Chair, I propose an amendment to change all references in this case from review to appeal. This will make it clear that there's an appeal mechanism that is in addition to appeals to the court, but at the end of the day if there is still disagreement about the regulator's decision, Albertans still have access to the court, as they always have.

I'd like to discuss further the makeup and composition of both the board of directors and hearing commissioners. Through the Responsible Energy Development Act we are ushering in a modern governance model. Mr. Chair, as somebody who has spent a lot of time learning about and practising the practice of

governance of organizations large and small, this is very important. Under this new structure there is a separation in the governance function of the board of directors, the management responsibilities of the chief executive officer, and the conduct of hearings by hearing commissioners.

This structure enables us to recruit the right people for the job. It allows us to gather the most talented people we can find for the governance board, for the management group, and importantly it will enable us to recruit people with the right mix of expertise required for the hearing process. This is the flexibility we need in order for us to build a regulator which is truly world-class and stands out in the global community of those who provide regulatory oversight.

We also think it's crucial that the regulator have the time it needs to make the right decisions for this province by gaining the right information from stakeholders, landowners, and Albertans. We have not prescribed hard timelines for decisions because we don't believe every project takes a one-size-fits-all approach. Rather, we are giving the regulator the tools and the flexibility it needs to be nimble, responsive, competitive, and efficient. That's what we heard landowners, industry, First Nations, and Albertans want, and that's what we're doing.

Finally, I would like to talk about consultation as a whole. Let me be clear. Albertans will be engaged, and they will have more opportunity to provide input into the new system than ever before. Albertans will be engaged on important resource policy issues as we move forward. We remain committed to consulting with the province's First Nations. This responsibility rests with the Crown, which is why we haven't given the regulator the authority to determine the adequacy of consultation. It is the government's responsibility, Mr. Chair, to engage and consult with First Nations, and it's a responsibility the government of Alberta takes very seriously.

I'd like to end by saying that this is a once-in-a-generation opportunity to truly revolutionize the way we regulate energy resources in the province. We're going to take the best practices from the past and build on them for the future. I believe that with the Responsible Energy Development Act we are creating a system that is efficient and effective for all parties involved. It will set high standards and will ensure that we remain a competitive place to do business while protecting Albertans' property rights and protecting our environment.

Thank you very much.

The Chair: Thank you, hon. minister.

Mr. Hughes: I'd just like to table the amendment I referenced earlier.

The Chair: Yes. We've recognized that. Just for the record this will be amendment A1.

I'm going to recognize the Member for Edmonton-Centre on a point of order.

Point of Order Separating Amendments

Ms Blakeman: Yes. Thank you very much, Mr. Chair. The citation I'll give you is *Beauchesne* 688, which would allow me to ask that the clauses of the government's amendment be severed, and this is following with the tradition and precedents of the House. This is definitively to discuss the various sections separately and also to be voted separately.

The Chair: Thank you, hon. member.

Mr. Anderson: I would like to speak to that point of order.

The Chair: You will in a minute, hon. member.

The rules indicate that this does not require a vote. This is a courtesy that the chair will allow. We will split it as you have requested, hon. member. So there is no further point of order.

Ms Blakeman: Thank you.

The Chair: The hon. Government House Leader.

Mr. Hancock: Thank you, Mr. Chair. Just what are you splitting? You're splitting it for voting purposes, but for discussion purposes anybody speaking to this can speak to the whole package?

Ms Blakeman: With respect, Government House Leader, and speaking directly to the chair – help me with the math here – there are something like 14 different sections that are being modified by the government amendment. While I wouldn't say that anyone couldn't speak to all of them, my intention, which you have concurred with, was that they be debated separately and voted separately. This is affecting a number of different sections in the bill, and it requires that kind of attention. According to 688 we are allowed to discuss this word by word, clause by clause. This is the working session on the bill, and I would like the opportunity to work the bill.

Thank you.

The Chair: So for clarification, then, hon. member, you're requesting that we discuss and debate from A through N separately?

Ms Blakeman: Yes, sir.

The Chair: Okay. Thank you.

Hon. Government House Leader, did you care for further clarification on that, or is that good enough that we move forward?

Mr. Hancock: Thank you, Mr. Chairman. The custom and the practice of the House has been on occasion, when requested, to separate particular sections for voting purposes but to treat the amendment as a whole. I would request that we continue with that custom and practice of the House.

Ms Blakeman: Mr. Chair, as the person who has requested this in the past, I can tell you that both have been granted to me.

The Chair: Hon. members, I believe that for clarity it would serve us to debate each separately and vote separately, so we will proceed accordingly.

Debate Continued

Mr. Anderson: Mr. Chair, I do appreciate your ruling very much, but I have to say that this amendment has not been provided to us in advance. This is the first we've seen of it. This is . . .

An Hon. Member: Raising the bar.

Mr. Anderson: . . . apparently raising the bar in this democratic process.

What it seems to be to me is a way to amend certain sections knowing full well that we cannot, once these sections are debated and voted on as an omnibus package, bring our different

amendments that we have one by one. With your ruling, that's less of a problem now because we can go through and debate each one of these clauses. However – and this is important – we will need time to look at this amendment and see how this alters the bill.

3:10

I mean, it's just – we'll keep it simple. It's difficult to understand how the opposition – we've prepared 12 amendments to this bill. The NDP caucus, I know, has at least six, maybe eight, and I know the Liberals probably have some as well. We're in a position here as a caucus where we would have to study this amendment to see what subamendments we would need to bring to these different clauses because if they affect amendments that we were going to bring, this is our one shot to talk about them.

Mr. Chair, I would ask the Government House Leader to consent to adjourning debate on this bill. Give us a day at least anyway to take a look at the different amendments, how this affects the bill, and come back, hopefully, with amendments or subamendments – which ones we can support, which ones we can't support – just some basic time to go over this. Otherwise, I fear we're going to be spending a lot more time than necessary in Committee of the Whole.

It just doesn't make sense to do it this way. If we had had this given to us in advance, even a few hours in advance, we could've prepared something for it. But at this point I don't know how we can proceed without adjourning debate to a future day. So I would move, hopefully with the Government House Leader's approval, that we adjourn debate on this matter until we can review this amendment in full.

The Chair: Thank you, hon. member. Just for the record the rules do not require that notice be given of where we are today.

However, I will look to the hon. Government House Leader. Did you want to respond, hon. Government House Leader?

Mr. Hancock: I would dearly love to, but a motion to adjourn is nondebatable.

The Chair: You have moved that we adjourn debate?

Mr. Anderson: Yes.

The Chair: Okay. That's not debatable.

Mr. Anderson: It's just a vote.

The Chair: Then I'll call the question.

[The voice vote indicated that the motion to adjourn debate lost]

[Several members rose calling for a division. The division bell was rung at 3:12 p.m.]

[Ten minutes having elapsed, the committee divided]

[Mr. Rogers in the chair]

For the motion:

Anderson	Eggen	Saskiw
Anglin	Forsyth	Smith
Barnes	Fox	Stier
Bikman	Hale	Strankman
Bilous	McAllister	Towle
Blakeman	Pedersen	Wilson
Donovan	Rowe	

Against the motion:

Allen	Goudreau	McQueen
Bhardwaj	Hancock	Olesen
Bhullar	Horne	Quadri
Brown	Horner	Quest
Campbell	Hughes	Sarich
Casey	Jeneroux	Starke
Cusanelli	Johnson, L.	VanderBurg
Denis	Kennedy-Glans	Weadick
Fawcett	Khan	Xiao
Fenske	Kubinec	Young
Fritz	McDonald	
Totals:	For – 20	Against – 32

[Motion to adjourn debate lost]

The Chair: The hon. Government House Leader.

Mr. Hancock: Thank you, Mr. Chairman. Well, I just wanted to briefly, then, speak to the amendments and indicate that it's interesting to have what we've just gone through with respect to the motion to adjourn debate. I understand the opposition's concern about an amendment being tabled that they haven't had a chance to look at and that they have to read, digest, figure out how it fits into debate on the bill. That's what we face every day in this House when we go into committee. Amendments come up.

I have as House leader always extended the arm to opposition members to say that if you have amendments to the bill, to any bill, you know, share them with us, and we'd be prepared to discuss. [interjections] I hear members opposite saying: we did.

Last night during debate there was mention a number of times of 12 amendments. As I understand it, four have been shared, so there are another eight that haven't been shared. Then when I talked to other opposition members, they say that they have five, but those haven't been shared. The dilemma I have here as a House leader is: do we adjourn the House every time an amendment is tabled so that people can read it and digest it and see how it affects life and see how it affects subamendments?

Now, part of the problem appears to be – and I do appreciate the dilemma – that members opposite say that the amendments have been submitted to the table and haven't yet been approved. I can understand that. So, then, in scheduling House business, that creates a bit of a complication. I think it's a complication that we need to address because if the amendments that have been submitted and haven't come back are not available for tabling in the House or for sharing, then as House leader I really ought not to be scheduling the debate on the bill. But we did actually give notice to everybody that debate would be scheduled, and nobody actually came back and said: "Well, we're not ready for debate in committee on this bill. We don't have our amendments back from the table yet."

So we do have a bit of a dilemma, and I think it's an interesting one because I have to say that I can only remember a few occasions where I've actually risen to ask the House to adjourn debate in committee so that we might take an amendment back and look at it. We have done that because I am absolutely sincere when I say to members of the House that I believe that our role is to make the best possible legislation we can, and that means that we should be looking at amendments that come forward to determine whether, in fact, we think they actually will improve the bill.

I think it's a given that there are some things that we're just going to disagree on. We know that amendments come forward to allow for political statements to be made. When I use the word

"political," I'm not using that in any sense in a negative way. I think that the art of politics is to discuss public policy in public and to put opposing positions forward, and I know that a significant number if not most of the amendments that come forward on any given bill are with respect to a true difference of viewpoint as to the direction that a bill should take.

Others that are brought forward are truly intended to improve the legislation in terms of its operation, and those, I think, bear a significant looking at. In some cases, where those amendments are clearly discernible, we can work with the minister or the bill's sponsor. We can look at it and make a determination whether there are likely to be any unintended consequences, those sorts of things, and amendments can be accepted on the floor of the House, so to speak.

In other cases, where an amendment looks like it might be an amendment which is designed to truly improve the quality of a bill but requires some additional look, I have in fact asked the House to adjourn so that we could take it back. We're very reluctant to do that because House time is valuable.

That's why I always extend the arm of, dare I say, friendship to opposition to say that if you have amendments that you want to bring forward to a bill that are truly intentional in terms of improving the bill, share them. We'll have discussions in our respective caucuses, and we'll bring them to the floor for informed discussion. If they're not, then we'll presume that they're political in nature, and we likely won't have an informed discussion on the floor because we'll assume that they're intending to provide a platform for a political discussion.

3:30

Now, I'm truly in a dilemma here because we have tabled some fairly straightforward amendments but amendments that, nonetheless, will take somebody a few minutes to check back on the various sections to see what they're doing. Given that this is amending a wholesome act – in other words, one doesn't have to go and check back to the existing statutes; it's just checking it against the bill to see where it is, so it's a relatively more easy process – I would expect that we would be able to deal with it. Nonetheless, if the members opposite are prepared to undertake to share their amendments with us on a timely basis, say before end of business this afternoon, I would certainly encourage us to consider adjourning debate so that they can have a look at these amendments and see how they impact and see how they might impact other amendments. Then we can determine what time is necessary in conversation with the table with respect to when amendments that they've indicated are coming might be completed.

This is truly a problem for this House if we cannot get our amendments on the table in a timely basis. We have a period of time that we're sitting here. We've done some very heavy lifting, actually, over the last two weeks. Members on both sides of the House have been very co-operative in terms of dealing with the work of the House. We've had up until now, I thought, a very good conversation around scheduling although I hadn't noticed that the leader of the Liberal opposition had stopped speaking to me, but I now notice that. We have endeavoured to ensure that everybody was aware of the course of business that we wanted to undertake for the week, what our goals and objectives for the day were, and how we were to proceed.

I would have hoped that if parties were not ready to proceed with debate, they would let us know shortly after we put it on the table so that we could take a look at it and see how we could do it better. I have no intention as House leader to bring business to the floor of the House that's not ready for debate, but we do have to

have business on the floor of the House, and we do have a lot of business to do. I would look to advice from the hon. members opposite if they're prepared to undertake to share amendments on a timely basis. Whether or not they're in official, finished form is not relevant to me as long as they show the intention. What's fair for one is fair for the other.

Amendments coming forward are dropped on the floor of the House and distributed, and then we're expected to get up and vote on it. I have to scramble, as I do with each and every amendment, to look it up, to see what it does to the bill and what it does to the existing act if there is an existing act. I do that every time. When I'm on the floor of the House, every time an amendment hits the floor, I have to do that work on the fly at that moment to determine what the efficacy of that amendment is, consult with the bill's sponsor, consult with members on the floor of the House, and see how to proceed.

We don't get that courtesy from members of the opposition very often, not in the 15 years that I've been House leader, and we certainly haven't had that kind of co-operation now. Yet one government amendment is tabled, and all of a sudden it's an affront to democracy if we don't adjourn the House so that everybody can sit down and examine it in full detail. What's good for the goose is good for the gander, as they say. I'm not sure what that expression means, but it is an expression. I think what it means is that we can't adjourn the House every time an amendment hits the floor, so the only way the House can reasonably proceed, if that's a requirement that people have, is if people share amendments on a timely basis. Maybe that's an amendment we need to make to the rules; I don't know. I would think this would be something that could be done by people of goodwill working together and collaboratively.

The Chair: Thank you, hon. Government House Leader.

I'll recognize the Member for Airdrie, followed by the Member for Edmonton-Centre.

Mr. Anderson: Thank you, Mr. Chair. I'd like to thank the Government House Leader for that wonderful explanation of what we're seeing here today. Just to give background on what did occur, this caucus, for our part, sent over our critic, our deputy House leader, to meet with the Minister of Energy and their lawyers. In fact, I believe there were two meetings that evening but certainly one that lasted a while. Our critic for Energy went over exactly the concerns, the amendments in rough form, the subject matter of the amendments, what they were going to be. He didn't have the exact wording, of course, because it was before Parliamentary Counsel. This government did know of the amendments long in advance. We have done everything we could to reach across the aisle and try to co-operate with them in that regard.

What day did you send them the four amendments?

Mr. Hale: This morning.

Mr. Anderson: This morning we sent them four one-line amendments – one-line amendments, very small amendments, anyway, simple amendments – in advance so that they could see them, with the promise that we would get the other eight to them as soon as they came from Parliamentary Counsel, where they're at.

I would also say that I hope our Parliamentary Counsel doesn't wince from the bus tracks that are over their backsides right now. They are severely overworked. Frankly, it's just ridiculous that we're here till midnight every night. We have amendments in this committee that they're trying to get together, and they have to be

here to help run the House and help the chair run the House late into the evening. To sit here and somehow infer that they're not doing their job because they can't get the amendments out quick enough for folks – we have a serious problem. The serious problem is that we have a government that decides they want to ram through legislation and stay up till all hours of the night to do it and only sit 20 weeks of the year in this Legislature while giving themselves a 16 per cent raise or an 8 per cent raise, whatever it is that week. That's what the problem is with this democracy, frankly, Mr. Chair.

I certainly would like to commend Parliamentary Counsel for the good work they do for the opposition. Maybe we could spend some of that money that we would have spent on trips to the Olympics and, instead, spend it on another couple of folks and support staff to help these folks, who are working as hard, probably harder than most of the folks if not all of the folks in this Legislature. I don't think they have anything to be ashamed of, and I want to make that clear. They're working very hard.

Now, I would also say that this is why we debated in second reading over and over and over again the idea of sending this to a public policy committee. This is the exact reason why. Now we've got some kind of bologna sausage-making going on here, legal sausage-making, that's going to result in an absolutely horrendously flawed bill.

If we had just put this and taken the time, we wouldn't be here debating. How many sections does this amend? Fourteen. Well, there are several subsections, too. Fourteen amendments in one omnibus amendment, including number M here, which amends sections 12, 15, 18, 38, 39, 40, 41, 60, 61, and 78; and number N, sections 38, 39, 41, and 60; and there are others. It's just really amazing to me.

Of course, as the hon. member knows, if we amend these sections and they're in the same sections that we have amendments for, even though they're very minor amendments, just changing "regulatory review" to "regulatory appeal," it means that we can't bring in substantive amendments. While you're playing word games with it, that means that we won't be able to bring substantive amendments that would actually alter what the bill does and what it does not do, et cetera. This is, you know, a cheap parlour trick, frankly.

The government should be, I think, ashamed of themselves in the way that they've conducted themselves. I think we've been very clear in the House leaders' meetings that we've had. In other meetings and discussions that we've had, I've been – and I've got the e-mail correspondence to show it, and I'd be happy to table that e-mail correspondence – nothing but co-operative with this Government House Leader. Nothing but co-operative. I respond to all of his e-mails in the most polite way possible. I know that's amazing for folks over there to hear, but it's very, very polite. I try to offer solutions. I try to get back to him immediately. I'm doing everything I can to try to change the tone from the regular dysfunctionality that is in this House into something that's more functional, and this is the return.

3:40

To stand there and compare the amendments that we're bringing forward – which, again, we went over. We went over the subject of each of these amendments, Mr. Chair. They were shown to this minister and his legal staff. Then we gave him the four actual amendments that were approved by Parliamentary Counsel. We gave that to him this morning to look at, full well prepared and excited, frankly, to debate those amendments. Folks here had prepared speeches on this side, not everybody to every amendment but, I'd say, five, six per amendment. We could have

gone through this process. We could have made, I think, great progress on this bill.

Instead, we get a massive amendment that there has been no time to look at. I mean, the government full well knows the difference between a one-line amendment that changes one thing in the bill, which they got in advance, and some monstrosity, Franken-amendment here, that is brought forward, plopped on our desk, and we're expected to react to it and see if this is good legislation. This is not how you run a democracy. This is not how you run a House. This is a joke. I mean, come on, guys.

Surely, we have more respect for the democratic process than to do things like this. If we're going to skip parliamentary committees, which they have in Ottawa and they have in other normal, functioning democracies, if we're going to skip that whole process and, instead, just bring in folks to randomly assess questions that the government decides that the committee is going to assess through their chairs that they direct, if that's all that they're going to do, well, what's the point? What's the point of it, you know?

I mean, I just don't understand the intent here. We were getting business done. We've got business done every single day and night since we returned to session, good progress done on bills, on second readings, Committee of the Whole. We've had good back and forth. We've had just a lot of good discussion. We've had good meetings between myself and the House leader saying, "Okay, what can we get done?" We say, "Well, how about this?" We get this done. It's been a good, mutual understanding, a very healthy understanding. What's with the cheap parlour trick?

I don't know how the Energy minister conducted himself as an MP under the Mulroney government. I have no idea, but I tell you what. If this is the way he conducted himself, that would explain why you got two seats at the end of your distinguished career there, sir, because this is a freaking disaster. It's absolutely shameful that we come into this house and, frankly, you know what all over the democratic parliamentary process. It's offensive.

We are here to make good law, to make sure that our laws are something that the people of Alberta can be proud of, something that we can put our stamp on after we leave this House. We're not here to play games with each other. We know in question period there's give-and-take, and there are political statements given. We know the form of that, and we know why we do that in question period and Members' Statements and so forth. We understand that that gets heated and that there is political pontificating and all that sort of thing. We get that. That's part of the process. We get that. But when we get down to committee and when we get down to second reading and when we get down to the actual business of crafting and amending these bills, I think we have, so far anyway, been able to put that aside and actually concentrate on the bill in front of us and try to get a good piece of legislation out to the people of Alberta. We don't turn it into some kind of pathetic excuse for legislative sausage-making that this is. I don't understand it.

I hope that we can push the reset on this. I hope that this event today does not change the pattern for the entire four years that we're here. I hope that we can maybe cool off a little bit, all of us, over the dinner break. I still hope that we'll adjourn this and go to Bill 4 – we were ready to debate Bill 4 as well – that we get some progress done so that when we come back here tonight, we can get progress on some amendments.

We're going to have to look at this in detail. At least give 24 hours to us or until tomorrow to figure out what we can support and what we can't support in these amendments and actually get some progress done. What happens, Mr. Chair, if we don't do that is that it turns into a bit of a gong show in here, and instead of

passing amendments and debating amendments and getting progress and getting through third reading and stuff like that, we're all here until 4 in the morning. I know that there are several members over here that are really excited about the prospect of staying until all hours and doing all-nighters. They think it's kind of cool. They want to be a part of that. You know, they've been waiting. "This is our chance to make a statement." I said: "You know what? As long as the government is co-operating with us, we can co-operate with them. We don't need to make any big, brash political statements and so forth. We can co-operate with the government because they're co-operating with us. They're letting us get our amendments on the table and so forth." Until today.

The games have started. This was a pre-emptive strike, so to speak, on debate on this bill, and I think that it's ill timed. I am more than willing and I think our caucus will be more than willing to pretend this event did not happen on a go-forward basis as we try to go through these bills. We still have Bill 7, Bill 4, Bill 2. These all have a lot of proposed amendments coming forward on them but doable amounts of work on them. I think that if we do that, we can actually get progress so we can be out of here without having to resort to cutting off debate using time allocation and all these other draconian things that sometimes the government uses.

We can do that. I don't think we need to resort to some of that stuff, but if this is the type of shenanigans, then, you know, we can't just sit here and get punched in the face over and over and over by this government and not defend ourselves. That's not what we're willing to do, metaphorically speaking, of course.

I hope that the Government House Leader and the other House leaders, if they want to bring it – I've already brought a motion to adjourn, so I'm not going to bring another one. If they want to bring another motion to adjourn so we can adjourn this and can all take a big deep breath and figure out what's going on here and cool down and take it from DEFCON 2, you know, bring it down to DEFCON 5 a little bit, then I think we can get a lot of progress done in this House. But if it's going to be games, well, you know what? We've got 17 very hungry MLAs that are more than willing to play games over here if that's what the government wants to do. We're a pretty relentless group here, so let's try to get some work done for Albertans.

Ms Blakeman: Oh, the Member for Airdrie is talking about hunger, and when we do those all-nighters, we always get pizza, so now I'm thinking about pizza.

I just want to respond to what the Government House Leader is laying out here. You can always tell when I'm a little exercised because my writing is appalling. What it says here is: I'm not playing that game.

Let me just go back to some of the history around this because I know how much everyone enjoys my little historical vignettes. The first time I ever saw the government bring forward an amendment that looks like these – we've now come to accept them as the way the government does amendments, which is, you know, in this case 14 sections that are being amended. You know, the whole time the other two have been talking, I've been plowing my way through, marking everything in my script, and I'm not even halfway through at this point, so it does take a while to find all of that. The very first time I saw this was at the end of an all-nighter more than 10 years ago. The then minister of education thought it would be really funny – it so amused him, I remember – if he brought forward a 14-page series of amendments. I couldn't even begin to tell you how many sections were amended, 36 or something. I can't remember.

At 5 o'clock in the morning, just as the government shift was changing over and their second shift was coming in – and, of

course, the opposition people were going: oh my God, I'm going to be here for the whole day – the minister of education brought in this 14-page amendment, which we were all supposed to jump up and start reacting to. Our critic for education gamely got to his feet. He didn't even have time to read the amendments. He just got up and was gabbling, trying to postpone everything long enough for us to run outside, read this, and phone anyone else in our caucus that wasn't already there to get them to come in. Indeed, we did debate that until well after noon, I think, that day. That sort of set the tone, and we've pretty much had that kind of government amendment ever since, where it's a multipronged amendment.

3:50

Now, part of our job here in the opposition is to present an alternative view. Sometimes it's criticism, but sometimes it's an alternative view. That's our job. There's no requirement in any of the parliamentary books that I'm aware of – and I do read these for fun. I know that's a little strange, but I do read them for fun. I'm not aware of anything that says that the government has to preapprove an opposition amendment before it actually gets any traction here, yet that is exactly, in his inimitable style, what I hear the Government House Leader proposing to us. If we just gave him our amendments in advance, he'd be able to check all of this, and everything would run so much more smoothly. Uh-huh.

You know what? I have never had the government approve an amendment that I submitted to the government to review in advance. Never. Every single one of the amendments that I have won – and there have been a number of them – has been won on the floor because I convinced people on the floor that it was the right thing to do.

I came to believe that if I wanted an amendment torpedoed, stomped on, annihilated, never to be seen again, submit it to the Government House Leader for review by the government caucus, and that would ensure its death. So I stopped doing it. I mean, it was just such a bad reaction. You know, in the opposition you kind of get used to being kicked around, but at a certain point you go: "You know what? I'm not going to do that anymore. I'm not going to repeat that. I know I'm going to get kicked around, so why in heck would I give you my amendment so you can stomp all over it?" So if the Government House Leader is wondering why he doesn't always get those anymore, he might want to look back at past history.

Now, there are a few of my colleagues that indeed did get their amendments accepted, and that's great. Thank you. I didn't. I don't think there was a conspiracy there. What is that phrase? Never explain by suggesting a conspiracy when simple incompetence would cover it. I'm paraphrasing really badly, but there you go.

So, no, I am not going to encourage any of my colleagues to submit amendments to the Government House Leader for preapproval. I think it's perfectly acceptable for us to be making these amendments on the floor as in comparison to the 14-section amendment that we've just had in one fell swoop from the government. I have never seen a 14-section amendment come from any member of the opposition while I've been on this side, so there's a slight difference in the way people do amendments.

The government has the power to call us into this Legislature, to adjourn us out of this Legislature, to give direction on how things are handled. They have a majority, so they get whomever they want on the all-party committees. Yes, they're all party but nothing that any other member of a party ever wants happens because it goes through the majority vote by the government members. It might be all party. It certainly isn't nonpartisan.

We've recently had a change that was dictated by the Government House Leader, I think, around amendments. I don't want to call it an oddity, but the other part of what the Government House Leader well knows that he has done in submitting 14 – I'm sorry, Mr. Chair?

The Chair: Carry on. There was another member trying to catch my eye. Please continue.

Ms Blakeman: Thank you very much. All right.

When these are put before the Assembly and debated, of course on any other amendment that would've gone to the sections, the government always gets first dibs, right? So their amendment is going to get debated. Any other amendment that amended any section – in here we've got, you know, part 2, division 3, heading of part 2, section 31, section 32, section 34. Any other amendment to any of those sections would now have to be resubmitted and redone as a subamendment, and that takes time as well. That, again, is a burden on our very hard-working and very competent Parliamentary Counsel staff.

It isn't just a matter of us not wanting to be co-operative. We literally have to redo a whole bunch of work, and the Government House Leader, of course, would know that.

We have some really interesting bills in front of us. I'm interested in the pension reform bill. The Education Act is still out there. The government has really been able to push the agenda along very quickly and is very hard working. I find it very interesting that the Government House Leader is shocked and appalled at the temperature of House when, in fact, I made sure to point out to him that if you work people all afternoon and all night and make them go to committee meetings in between – and we are now blessed to find out we're allowed to eat at the table during our committee meetings. Everyone was so thrilled last night in the meeting, and I thought: "Are you serious? This is what we're excited about, that we now have the Speaker's permission to eat in the middle of an hour-long meeting in the middle of an hour-and-a-half break?" Oh, my goodness. The world has opened for me and embraced me with its generosity. Wow.

But, honestly, you're going to have people in here for three hours in the afternoon. You're going to work them for an hour over the hour-and-a-half supper break. I'll tell you: some of them are getting some exercise. There might be some weight loss happening here running back and forth between the Assembly and the Annex in order to get to the room where you're now allowed to eat while the meeting is going on and then rush back to the Assembly and then sit in here until 11 o'clock, 11:30, 12, 12:30. I've been watching the adjournment times. How are you not going to have people that are tired and cranky and PO'd and not as able to control their temper as they would like to? Well, duh. Of course that's going to happen, so nobody should be surprised about this.

Now, I know that the minister is patiently waiting for us to return to his bill, and I appreciate that, but perhaps in the future when he is quarterbacking a bill through, he would keep in mind some of the things I've pointed out. If he did wish to bring 14 government amendments [interjection] I'm sorry, how many? Fourteen.

And how old is this bill? Oh my goodness. It's not an amendment act. It's a brand new act, the whole thing, so they've been able to work on this at their leisure until they decided to bring it home. Oh, wait a second. There was a whole other study that was done on this by the now minister of environment and a couple of others that came out in December of 2010, so you had all of that front work, and now you need to amend it because –

what? – you didn't see this one coming? You'd never heard this before?

You know, there are just times when you think: what were they thinking that we would need to have 14 amendments to a brand new bill that they've been working on for . . .

An Hon. Member: Two years.

Ms Blakeman: Well, yeah. I would have said donkey's years because it could be longer than the two years. This report came out in December of 2010. They could have been working on it since December of 2008.

So just a few observations, Mr. Minister. Even if you had kind of given those to us in little bits, there wouldn't have been quite such a temperature rise in here. Just for the future you might want to keep that in mind.

Mr. Chair, in response to the points that the House leader has raised, I think he understands now that we're going to have to spend some time changing things in reaction to what he's talked about. There are lots of people here that would like to just speak to this bill in Committee of the Whole, and we can spend the rest of the afternoon doing that. I have a number of notes here, and I'm – oh, sugar. No, we can't do that because now we've got a government amendment on the floor, so we'd have to speak to the government amendment. Huh. Well, you see the problem that we've got.

Thank you very much for the opportunity to raise these points.

The Chair: Thank you, hon. member.

I'll recognize the hon. Minister of Energy.

Mr. Hughes: Thank you, Mr. Chair. I appreciate the comments from members opposite and take them in. I would agree with the hon. Member for Airdrie. I will not engage at that kind of level that he has taken it to, but I would encourage the hon. Member for Airdrie and all members to take a deep breath. Actually, you know, listening to my colleagues here today, one would think that we had substantively changed the Magna Carta, but in fact what we have proposed changes out one word for another and adds five new words. So six words changed in this legislation have led to this discussion.

4:00

Let me tell you why we have done that, Chair. We listened to Albertans. I know that my colleagues in the opposition might not take this well, but we actually weren't focused on what they were doing. We were focused on what Albertans were telling us. We were listening to Albertans. You know, we were listening to Albertans who were reading Bill 2. They were seeking to understand it. The amendment which I have put forward responds to that feedback that I have received, that my colleagues have received as well on this side of the House.

There are three main themes, Mr. Chair. The first one is to help people understand that a regulatory review is actually a regulatory appeal, and by removing the word "review" and replacing it with the word "appeal" – and I know that leads to several sections being changed because it's there in several places. That's one swap of one word for another that helps people understand that there is a very legitimate set of appeal processes built into this new regulator, and that helps Albertans understand the nature of how this process works.

Now, the other one, which I know all members in the House would welcome, is under the notice of application. We've added the word "public" so that public notice must be provided by the regulator, which is a clarification which wasn't there, which we

thought made sense, which we heard from people as well. Instead of just saying that notice must be provided: public notice. Providing public clarification is actually an important part of the democratic process and an important part of the regulatory process. What we're trying to do is ensure that at the front end of the regulatory process all of the information is there. You ensure that it is out there in the public domain, that there's going to be a hearing or there's going to be an application coming through. I can't imagine that any members of this House would be opposed to that.

Then in section 32 we're actually adding to create greater clarity so that a wider group of people actually has standing before the regulator, that a person can self-identify if they believe that they are directly and adversely affected and they may not have been identified by the regulator as somebody that is adversely or directly affected. If they only believe they are so adversely or directly affected, then they can bring that to the attention of the regulator and be part of the process.

With these six words changed, we're actually trying to create greater clarity. I know everybody is working hard to ensure that we deal with the business before the House in a timely fashion and that we do so with the greatest possible attention to detail. We all have work to do. We have work to do. We have all been working. I know that other parties in the House have further amendments to bring forward. I'm grateful to the critic from the Official Opposition, who shared with me four of the 12 amendments that they have under way today.

You know, I've watched public statements by the Leader of the Official Opposition, and I have listened to members on the other side. Until you actually see an amendment in clear writing, you're not sure exactly what it's going to look like. We all are working hard to try and get our amendments into the process, and I encourage members on all sides of the House to get their amendments in on a prompt basis. We have work to do. This regulator is responsible for a big chunk – a big chunk – of the economic capacity of this province. We have work to do. People expect us to deliver on this.

Mr. Chair, I'd encourage all members of the House to move as quickly as they can to get the amendments on the floor so that we can address them and move forward. Thank you.

The Chair: Thank you, hon. member.

I'll recognize the Member for Strathmore-Brooks.

Mr. Hale: Thank you, Mr. Chair. Well, I'm pretty disappointed, actually. You know, I was under the impression that we were all acting as adults here. A little common courtesy. Twice I went and spoke with the hon. Energy minister, went through the bill, all my concerns, everything highlighted, talked to him and said: "Can you explain this? What do you think about this? Do you think we could change this?" He said: "Yeah, you bet. We'll look at it." I mentioned yesterday: "You know what? We're getting these amendments ready. When I go through Parliamentary Counsel and get the actual stamp, I will give them to you." That is what I did.

This has not been through Parliamentary Counsel. There's no stamp on here. Common courtesy would have been to have shared and to have said: "Hey, you know what? I've got 10 amendments that I'm going to share with the House." Give us a heads-up. Let us know. If he wanted the amendments before they were approved, we could have given him a rough draft. But we might as well get it right the first time, like we're trying to do with this bill, get it right, and give you the finished document so that you can see it.

You know, the hon. House leader talks about getting these amendments before. This is the first we've heard about it. At least they had the heads-up that we were bringing 12. We had no idea. The only one that was mentioned to me was C. That was the very first, where they were going to put "public" before "notice." That was it. That's the only amendment I'd heard of in this bill.

The hon. Energy minister talked about consultations, how this bill is great. If the consultations were done and this bill is so great, why are all these amendments coming forward? Maybe it's a little bit of naïveté on my part . . .

Ms Blakeman: Yes.

Mr. Hale: . . . which it is. I'm new, and I thought: we're all acting as adults here, so I will share. I'm still going to be showing my amendments to them so that they have ample time to discuss with caucus and come to a decision. If they want, they can come back to me and say: "Yeah. You know what? This one looks okay. Would you mind changing this?" Sure. We're here to work.

From day one I've said that this bill is good for industry. This bill is something that industry wants. It's something that industry needs. We support the theory behind this bill. We just want to see some changes. We want to see these changes in a democratic process, which is in this House, where we can debate back and forth, and we can talk about it. We can exchange ideas and concerns and solutions to our problems to get it right the first time, not to show up and underhand us and try to pressure us and trick us when, as far as I'm concerned, you know, I thought I was being above board and trying to uphold the high morality of this Chamber.

Mr. Mason: I've got a Christmas video you should watch.

Mr. Hale: Well, yes. And does anyone have oceanfront property in the middle of Alberta? Maybe I'll be looking for some new property.

You know, I hear from the other side how we should be acting, how we have to uphold this democratic process. Then things like this happen. It makes me wonder. Is this all a bunch of talk, all a bunch of fluff? You just come across and do what you want anyway.

Ms Blakeman: Yes. What did you think?

Mr. Hale: Well, you know what?

Mr. Mason: He's new.

Mr. Hale: It's time to change. I may be new, but if it's always been done that way, does that make it right? No.

Ms Blakeman: Do you honestly think I've sat here for 15 years and not tried to change it? I mean, good luck.

Mr. Hale: Well, we're new. We've got high hopes. We've got maybe a little bit more energy because we can sit here till 4 o'clock in the morning. We can do that if that's what it's going to take. [interjections] Well, I know. Okay. I rescind that comment.

You know, this is something I mentioned yesterday when I talked about this bill. This is something that affects every single person in Alberta one way or another. It's something that we need to get right. We need more than two hours in the afternoon to hurry and hash and say yes or no to these amendments. This is something that's going to affect people's lives for many, many years. It's something that needs lots of time.

4:10

I respect the hon. Environment and SRD minister for taking the time to do the consultations, but since this bill has come forward, I've received e-mails. I mean, I've got e-mails right here that Bill 2, the Responsible Energy Development Act, is totally unacceptable, that this piece of legislation will never be accepted by landowners of this province. This is from a property rights advocate group. I don't know if they were missed in the consultations or if they didn't know about it or what happened. I'm not sure. This is what we're hearing now. [interjection] I'll show it to you after if you'd like.

You know, we need to take the time to get this right. If we hurry through all of this stuff and try to change our amendments and make subamendments and – you know what? Hurrying isn't going to make it right. Hurrying is going to hurry up and get it done. Then we're going to say: "Oh, crap. This isn't right. We need to come back, and we need to fix it."

An Hon. Member: Don't say that.

Mr. Hale: Sorry. I can't say "crap." [interjections] No. That's right, and that's part of the whole process that I'm talking about. That's why I made the offer to give the hon. Energy minister and the hon. environment minister our amendments before so that you guys would have time to look at them. Parliamentary Counsel is doing an excellent job under very, very strict – I mean, they're very, very busy.

Like I said before, I waited till I got this, gave it to you guys, let you discuss it so that we could have a conversation with each other or some debate to fix it. I mean, we're not saying that we're perfect. We're not saying that these things are exactly right, but if we work together, we can get it exactly right. If we're too worried about: oh, you're on the government side; we're on the opposition side – just because the opposition says it doesn't mean it's right. And we can't be saying: oh, just because the government wants it, that means it's wrong.

This is something that we need to work together on because it's something that goes far beyond the walls of this Chamber. This goes across the whole province. It's going to affect people across Canada. How many workers do we get all the way from Nova Scotia and New Brunswick and Prince Edward Island who come over here and work on the rigs, work in the oil field? Lots of them. This is something that needs to be handled professionally and with the best interests of Albertans at hand.

With that, I would like to end with a motion to adjourn debate.

[Motion to adjourn debate carried]

Bill 5

New Home Buyer Protection Act

The Chair: We're debating amendment A1, moved by the Member for Edmonton-Beverly-Clareview.

The hon. Government House Leader.

Mr. Hancock: Thank you, Mr. Chairman. With respect to Bill 5 I'm hoping this afternoon that we can actually have a good and interesting discussion.

In doing so, I want to make sure that it's clear that the remarks that I made earlier with respect to Bill 2 with respect to table officers were not intended – I heard comments from people opposite praising the table officers. I want to make sure that I was not intending in any of my remarks to suggest that the table officers were not doing their jobs. I was only talking, really, about the work that needs to happen between House leaders to make

sure the work of the House progresses smoothly and the need for communication to ensure that if things aren't ready to go, we know that so that we can schedule work that is ready to go. The worst thing that we can do in this House is waste the public's time and money by debating just so that we can buy time.

I did want to also acknowledge, as we move on to Bill 5, that the relationship that I've had with the House leader for the loyal opposition has been a very good relationship. He made the comments – and I wanted to acknowledge those comments – that we actually have been working very well together to date in terms of scheduling business for the House. I wanted to put that on the record as we start the debate on Bill 5, that this House works best when we work together, not to agree all the time on everything. We're not going to agree on everything. In fact, it would be a very boring place if we agreed on everything. We need to have a full, robust discussion on the various aspects of things, but in order to have that robust discussion, we need to work together to appropriately schedule it.

I've been very proud over the years in this House of the way we've been able to work together as House leaders, not always agreeing but working together for the benefit of all members in the House in terms of scheduling bills. I believe that this afternoon we've come to an understanding in the interim of the debate that went on on Bill 2 that we can proceed to Bill 5 in committee this afternoon, that we may have an opportunity to proceed to Bill 4 in second and Bill 8, and that we come back to Bill 2 tomorrow. I hope that everybody will understand that sort of order of business, that the work will be ready.

I do have to say that I am a little bit nonplussed by the reaction to the tabling of the amendments. As far as amendments go, even as far as government amendments go, this one is, with no offence intended to the hon. Minister of Energy, very light. I mean, I was able to read it in about four minutes. You know, they're talking about amending 34 sections, but 33 of them, more or less, are changing "reviewable" to "appealable." That's the difficulty that I have with some of the comments that were made.

But as we always do come together in the full agreement and understanding that the people's business is important and must move ahead, I'm really pleased that we've been able to come to the conclusion that we should proceed with Bill 5 this afternoon, which is a very important bill, Mr. Chairman, for this House.

The Chair: Thank you, hon. Government House Leader.

Are there other comments to be offered on amendment A1 to Bill 5?

Ms Blakeman: If I knew what amendment A1 was, that would . . .

The Chair: I'll read the amendment for the benefit of the memory of the hon. member. Notice of amendment, Bill 5, New Home Buyer Protection Act.

Mr. Bilous to move that Bill 5, New Home Buyer Protection Act, be amended in section 28 by adding the following after subsection (1):

(1.1) Regulations under subsection (1)(e) shall be made no later than 6 months after the date this statute comes into force.

That is amendment A1, hon. member. Do you wish to speak to that amendment, hon. Member for Edmonton-Centre?

Ms Blakeman: Well, I appreciate what the member is trying to do, and that is to give parameters for how long we could expect to wait to see the regulations come forward. You did say section 28, correct? Yeah. So this is saying that the regulations that the

Lieutenant Governor in Council makes regarding a bill need to come before us within a six-month time period.

Mr. Eggen: Yeah. That's right.

Ms Blakeman: Okay. Good point.

Lots of times – another historical vignette. We used to have an all-party committee that was called Law and Regulations. Before my time, given that I'm so ancient, the regulations used to come to the floor to be debated by the members of the Assembly. That stopped before I was elected in 1997, so we never saw the regulations. Actually, they're easier now with computers, but it's still kind of hard to find out where the regulations are and when they're officially published. Sometimes you can catch somebody in the ministry that will actually send you a copy, or the minister will give you a copy, but for the most part we pass the acts here, and they're gone. We don't see the regulations, and in some departments they won't give you the regulations even once they're established.

4:20

There is so much. Every bill I see has more and more references to the regulations, more and more references that "the minister can make regulations on the following," "the specifics on this issue will be made through regulation," et cetera, et cetera, et cetera. What those regulations are becomes really important, and it's a wise choice of the Member for Edmonton-Beverly-Clareview to try and hasten, well, not hasten necessarily but probably, to say that these need to be complete within a six-month period.

My only issue with that would be that I'd like to be reassured by the proposing member that he has discussed this with the minister because what I don't want to see are regulations that are not well thought through. Trying to figure out the unintended consequences of what we do here is always a challenge, and even that is kind of funny. If you read the remarks in *Hansard*, well, what did she mean by unintended consequences? How are you supposed to figure out what was unintended? Well, true enough, but that's what we've got to do because sometimes when we change a law, there is a consequence that happens way down the road that we didn't think was going to happen. It never occurred to anybody that that would be the result of what was being passed. I want to make sure that in six months it's actually possible to get all of the regulations through that are being considered under this act.

This is an important act for me. I represent the fabulous constituency of Edmonton-Centre. I have somewhere between 45,000 and 50,000 people now. When I started, I had about 25,000, so it's almost doubled in the time I've been representing it. At one point I had 500 single-family homes. I'm under that now. Most of my constituents live in either rental apartments or high-rise condominiums.

The effect of this bill is something that is going to be really important for us. We have had a series of condominiums built in the fabulous constituency of Edmonton-Centre that could have used this act. I think part of the coming about of this act was my repeated references to it because it was affecting so many people and so much money. You know, I did a big media show at one point a couple of summers ago, dragging all the media down to look at one of the condominiums. Interestingly, with the same builder, in every single one of his condominiums the same thing happened. They all look the same. If you want to drive around, I'm sure you can figure out who the builder is.

What happened to them was that by the time they figured out what the problem was, that the roofing wasn't very good, and the acrylic siding wasn't very good, and the water got in and ran down

inside of the acrylic siding and came in through the roof and ran through the skeleton of the building, through the actual – oh, I'm not a construction person – timbers that are holding it upright, it started to rot from the inside out, so rotting the walls, rotting the flooring. The balconies always fell off. By the time they figured out what was wrong, they started to see the watermarks, and the balconies started to kind of pull away from the main structure.

Of course, the first thing you do is that the board approves that you're going to hire someone to come in and have a look at it. You do that, and that costs you money, so that's another couple of thousand that each condominium owner has to fork over. They go through it. They come back, and they go: yeah, you've got a huge problem. The assessments for most of the people in that building were \$30,000 by the time the smoke cleared. Imagine buying kind of a nice but middle-of-the-road condominium. You put your down payment on it, and you've got your monthly payment. All of a sudden you are supposed to come up with \$30,000 in order to keep your condominium, that you've already been paying on, and now you've got this additional payment.

It was a deal breaker for some people. They just couldn't afford to pay more money on top of what they were already committed to. They thought they were in a certain economic bracket for what they paid, and they could handle the condo fees for the maintenance of it. They just couldn't handle the extra assessments that were happening, and they lost it. So there went their single-biggest purchase. Will this act help them? Will that situation repeat itself? My hope is no, but I will get into some of the details later.

Specifically, on the floor right now is the amendment that the regulations should be brought in within a six-month time period from the proclamation of the bill. I suppose that if the government wasn't ready, they could just put off the proclamation of the bill until they were ready, and then it would all be fine. I've just answered my own question. I'm handy that way.

I am in favour of the amendment that's before us, and I look forward to another opportunity to speak generally to Bill 5, the New Home Buyer Protection Act. Thank you very much.

The Chair: The hon. Member for Edmonton-Calder.

Mr. Eggen: Well, thank you, Mr. Chair. I just want to make a few comments, obviously, in favour of this amendment A1 on Bill 5, the New Home Buyer Protection Act. I worked together with the Member for Edmonton-Beverly-Clareview and our staff with some detail on these amendments.

Certainly, as the hon. Member for Edmonton-Centre just related, we have across the city and, really, across this province a significant problem with new-home construction and condo construction that is not meeting the needs of perhaps the weather we have here in Alberta or the structures themselves just not being put up to the standard that they should be.

Quite literally, we have hundreds of people that have been left holding the bag on new condos that they've purchased, and within three, four, five years they find themselves with a bill that is quite difficult to pay off or, quite frankly, having to walk away from their purchase. I was taken by the Member for Edmonton-Centre's comments about the actual bills on some of the places that you had here in Edmonton-Centre. I was watching Glenora Gates, for example, being totally reclad from the outside, from start to finish, a terrible inconvenience for the people in there and, as you say, a \$30,000-bill per unit.

Well, in Edmonton-Calder, just behind 137th Avenue, with a very large double condo unit called the Palisades the exact same thing with the exact same cladding and very similar even in the blueprints – right? – with people getting a \$20,000 to \$30,000 bill

five years after they purchased it. In the Palisades it's about 15 per cent of the people that are just having to walk away.

We had terrible, terrible stories from young couples that bought these places, you know, going bankrupt, from seniors that lived in the older part of Edmonton-Calder looking for some more convenient lifestyle in retirement, close to the Safeway, very visually nice apartments, and they turn out to be fatally defective.

I am from that approach coming to this New Home Buyer Protection Act. I looked through it with a fine-toothed comb to ensure that that sort of thing does not happen again. Quite frankly, we need to consider addressing the people who have been left holding the bag over these past few years. It's not just water damage. We can go to Fort McMurray, where people had 45 minutes to evacuate their place – it had to be torn down, and people still paid mortgages on the thin air that used to be a condo up there – or to the place in Leduc. You know, Mr. Chair, I'm sure you've seen that one with your own eyes – right? – the gentleman not following the code at all and, really, committing fraud against the people who purchased that place in Leduc. Calgary, Lethbridge: everywhere I go, I see a similar trail of destruction.

4:30

This is a chance for us to make redress for those people and to put their hearts at ease to know that perhaps Albertans in the future are not going to get ripped off. This first amendment that was put forward is to propose that the government has six months from the proclamation for regulations to be determined regarding building assessors and building assessment reports. As the bill reads now, it indicates that condominium coverage begins when a building assessment report has been completed. But, you know, we would like to find more about what that building assessment actually is. Section 28 gives cabinet the responsibility for determining what a building assessment report is, what kinds of documents it contains, who a building assessor can be, what their qualifications may be, and that person or office to whom those reports are submitted.

Again, I think part of the fatal combination of events that left people in Glenora Gates and the Palisades in Calder holding the bag was the fact that these assessments, these building inspections, were not done with the independence and with the authority that should be required to do so.

You know, it's interesting. I did some research on it, and we had independent provincial inspectors up till 1993 in this province. The loss of those independent provincial inspectors – right? – as bureaucrats was a fatal blow to this whole integrity of the building system. In '93 were the massive cuts and downloading onto, basically, private contractors committing this thing. Now, as we're many years later, certainly we want the independent inspectors, but we want to ensure that the independent inspectors and the process that they go through is comprehensive and transparent and that these inspectors do not have a relationship with the builder, that there's a degree of separation and independence during that process.

I think this is pretty basic. We know when they're putting up the cladding on the exterior of these condos that I have in my area that an inspector could have caught that before they went to the next stage or process and not have the balconies tilting inwards so that the water was going into the walls and black mould was growing up through the baseboards and into the floors, where you could do the inspection on an independent basis at each stage along the way before the problems were buried by the next stage of construction.

If we don't fix this uncertainty – right? – regarding building assessment reports, I think we could potentially be approving a loophole that could permit ongoing problems that we saw. You

know, it's one thing to have a warranty and the insurance that goes with that, but if you're not ensuring that the integrity of the code is there, it's like buying expensive insurance on a 1974 Pinto. You have a car that is famously known for its dangerous explosive properties. You can put the best insurance in the world on that, but is that really going to serve the best interests of safety and so forth? That's the angle that I'm taking with this particular amendment.

This amendment also requires the government to make regulations pertaining to building assessment reports within six months of proclamation so that this all kind of comes together in a timely manner, Mr. Chair.

Again, this is my first chance to speak on Bill 5. I'm very excited for the prospects and the possibilities of it, but I have some adjustments that I think we can make so that we put something out the door here that we all can be proud of.

The Chair: Thank you.

Other speakers on amendment A1? The hon. Associate Minister of Municipal Affairs.

Mr. Weadick: Thank you, Mr. Chair. It was nice to hear the positive comments about our bill from the members across the floor. We, too, believe this is an excellent piece of legislation to protect homeowners.

But not to get into all of the bill at this time, this particular amendment is about setting a time frame. I would speak in opposition to that. I believe that we need to just leave the minister and the department to take the appropriate amount of time to get this right, to get the appropriate regulations in place. This bill will come into force on proclamation. It will be proclaimed and come into force. But in the future we also need the ability, Mr. Chair, to make changes potentially to these regulations around these assessment reports as we go forward. Putting these types of timelines in will not positively impact the bill, but they could negatively impact it into the future.

I would ask that we not support this, but I do appreciate the support for the bill and look forward to your other amendments to see if there may be other things coming forward.

Thank you.

The Chair: Thank you, hon. minister.

Further speakers? The hon. Member for Olds-Didsbury-Three Hills.

Mr. Rowe: Thank you, Mr. Chairman. I do want to compliment the government, and particularly the minister himself, for bringing this whole act forward. It's been long overdue. It's a very good piece of legislation. There are some concerns that I have with it as the Municipal Affairs critic. The existing homeowners' warranty program: I'm not sure how they're going to relate that to the new warranty companies that come in and what relationship that will have. That's a little bit vague.

Also, there are some concerns we have with the mobile home aspect of it. Mobile homes are typically built in a factory, and they're then moved out of that factory onto a site. What happens with that warranty? If I'm the manufacturer of that home, once it leaves that factory, I'm done with it. I wouldn't want to be responsible for what happens on a truck to a site, how it's put on the foundation, how it's hooked up to plumbing and electrical, how the foundation is built, and so on. That could drastically affect the structure of the building.

Those are a couple of things that I think we need to clarify down the road. I wouldn't hold up the bill just for those things, but I think eventually they are going to need to be addressed.

Again, congratulations to the minister, and I really appreciate his consulting with me, sitting down with me and going over some of these things, before we got here.

This is a sorely needed piece of legislation. I'll get to the amendment in a second, but my colleague mentioned some of the condo disasters that have happened throughout the province, and it's not just one incident. There have been several of them. Fort McMurray was probably the worst one, but it happened in Leduc, it happened in Calgary, and it has happened in several other places. The one in Fort McMurray: I do have some, I suppose you could say, inside information on it as I sat on the Safety Codes Council board of directors. We got some inside information on that situation at the time. I can't get into the details of it because, obviously, it's in court right now.

I have 35 or 40 years in the construction trade, so I know a little bit about construction. Even though I was an electrical contractor, you see all kinds of things. What I heard about that building was terrifying. Absolutely terrifying. They gave those people one hour to get their personal belongings out of that building and get out. They're still paying mortgages, as my colleague said, on thin air. That's the kind of thing this bill, hopefully, will prevent in the future. So, again, congratulations. I could get into a horror story about a house I had built in Calgary, but that's a long time ago.

Back to the amendment. Now, this amendment would require cabinet to have the regulations surrounding building assessment reports completed within six months after the passage of Bill 5. This amendment would ensure that cabinet outlines the rules surrounding building assessment reports: what information is to be included in the reports, when and to whom those reports are to be submitted, and the qualifications and powers of building assessors to be completed in a timely fashion. Anything we can do to clarify the issues that have been raised and to ensure that those in the building industry will clearly understand what is expected of them is a positive step forward. I would highly recommend that we vote for this amendment.

Thank you.

The Chair: Thank you, hon. member.

The hon. Member for Calgary-Shaw.

Mr. Wilson: Thank you, Mr. Chair. I will be brief. I just want to clarify, and maybe the associate minister could help me understand this. I don't see in the amendment that it says that cabinet could not go back after the six-month period and then change the regulations. I'm wondering why you choose to, I guess, oppose this amendment based on that at this point in time. I do believe that there's validity to what's being proposed here, so if you could perhaps offer clarity around that, Mr. Associate Minister.

Also, I'm curious if the Member for Edmonton-Calder could clarify for me how this amendment will specifically fix some of those issues that we're talking about with the condos? The horror stories are endless, right? How does this specifically tackle that?

Thank you.

4:40

The Chair: Hon. associate minister, would you care to respond?

Mr. Weadick: Yeah. Thank you, Mr. Chair. I can't tell you exactly how long it'll take to get these regulations right. I can tell you we're going to work at it as quickly as we can and get them right.

The other thing is that this specifically says, "Regulations under subsection (1)(e) shall be made no later than 6 months after the

date this statute comes into force.” It doesn’t say anything about changing them. Throwing that in there and leaving us with, potentially, the inability to make changes to that regulation in the future as the world changes would not be a good thing to do. Regulations change from time to time as the world changes. We need the ability to do that.

We also need the time to get this right, and if it takes seven months to get it right, we’re going to take seven months. When brought out, with all of this done – it’s going to take interministry work between Service Alberta and our ministry to make sure that these forms and the people that are going to be administering them are properly trained and can do the job, so we want to do this right. That’s why we want to make sure we have the time to do it, and I don’t believe that arbitrary dates into the future would be helpful.

Thank you.

The Chair: Thank you, hon. associate minister.

The hon. Member for Edmonton-Centre, followed by Edmonton-Calder.

Ms Blakeman: The Member for Olds-Didsbury-Three Hills: I listened carefully to what he was saying and his concerns about manufactured homes. I’m just wondering where the concern is because in the interpretations it actually does define a manufactured home and it defines a new home.

The Chair: Hon. member, are you speaking on the amendment?

Ms Blakeman: Yes, because that’s what he was talking about.

The Chair: Okay. If you can try to keep it to the amendment, that would be great. Thank you.

Ms Blakeman: Then you need to talk to him, not me.

The Chair: I’ll remind all members accordingly. Thank you.

Ms Blakeman: Thank you so much.

What is the particular part? Because as I start to read through this as I was researching it for the purposes of the amendment, it’s pretty clear that it talks about a new home in every section, so I’m not clear on what section he’s particularly concerned about that relates to manufactured homes. Even the parts that are talking about hooking things up, where it talks about – hang on; I’ll get it. You know, it does talk about a residential builder, but it also means whoever is hooking the stuff up and doesn’t include this, that, and the next thing. Oh, here we go. “‘Delivery and distribution systems’ include electrical, gas, plumbing, heating, ventilation and air-conditioning systems to which the Safety Codes Act applies and any other system prescribed as delivery and distribution systems.” I’m not quite catching what’s not covered.

The Chair: Hon. member, if you can try to tie that into the amendment somehow, that would be great.

Mr. Rowe: Yes, I will. When a home is built on-site, it’s all done under one umbrella, under one contractor, typically, a home builder. The foundation is dug and the house is stick built from there up, so all of those things – the electrical, the mechanical, the drainage systems, and all the rest of it – are all part and parcel of that one construction project. When a manufactured home is built, it’s built in a factory, and all that work is done with connections stubbed out into the lower floor to sit on a foundation. Once it leaves that building, the person who built that home, the manufacturer, has nothing to do with the hookups on-site. So as a

warranty supplier, as an insurance company supposedly giving a warranty, I’m not sure how they’re going to separate those two issues because one can have an effect on the other. Do you need two warranties? I’m not sure how that’s going to be covered, and that’s a concern.

Ms Blakeman: It’s not specifically applying to manufactured homes; it’s applying to the new homes. Okay. I got it.

The Chair: Hon. members, other comments on the amendment? The hon. Member for Edmonton Calder.

Mr. Eggen: Yeah. Very briefly, the Member for Calgary-Shaw was asking me how this might improve that. I think what it’s doing is that you need the regulations to follow the legislation in a close and timely way. You know, really, without it you are not having the full force or benefit of this law, if we make it a law, without the regulations around assessment. We’re saying to bring those in quickly and timely. It doesn’t preclude the possibility of changing those, right? You can still change them by cabinet or whatever process they have in place. It just brings the full force of the legislation into effect in the shortest possible time, in a timely manner. Let’s put it that way.

The Chair: Thank you, hon. member.

The hon. Member for Lacombe-Ponoka on the amendment.

Mr. Fox: On the amendment. Thank you, Mr. Chairman. I’ve been reading through the NDP amendment here. On the whole, you know, I do like where this is coming from. I’d like to know: why six months and not a year, not 18 months, not three months? I’m curious why six months was picked for this amendment. Is there a particular reason, or is there something that is set out in statute?

Mr. Eggen: Thanks for that. I think we chose that as sort of parameters that are commonly used in legislation, you know, between the process of proclamation and then regulation. It’s following a certain pattern of legislation that is accepted here.

The Chair: Thank you, hon. member.

Further comments on the amendment?

Seeing none, I’ll call the question on amendment A1.

[Motion on amendment A1 lost]

The Chair: Back to the discussion on the main bill. The hon. Member for Edmonton-Centre.

Ms Blakeman: Thanks very much, Mr. Speaker. I don’t have any amendments to this act. I was very happy to see it. As I say, I’ve been advocating and campaigning for it. I’ve been making helpful suggestions to the government. I’ve been embarrassing them. I’ve had media extravaganzas. I’ve done whatever I can to move this along.

There are a couple of opportunities I want to give here. One of the things that the Liberal act had suggested – and that was Bill 209 from 2012, previous to the election. It’s fun to have a year in which there are two complete sets of bills with the same numbers. My colleague from Calgary-*Buffalo* had introduced the Homeowner Protection Act, and it had exactly the same layout of coverage. One of the things that we were considering was licensing, if the contractor would have to have a licence. If they failed to produce a quality build, their licence could be suspended. They would have to fix that before they would be issued a licence. They could not continue on.

Of course, one of the problems that we see is that an unscrupulous builder can just leave the name of the company and leave the company with no assets. You can sue them for problems like we've been describing, and you can even win according to what the court says, but you've won nothing because there are no assets left in the company. Some of these contractors keep slipping away and not being held responsible. So we wanted a system that would stop that kind of thing, and we had suggested this licensing.

Now, when I spoke to the minister, he had said that they were doing that, but they were going to make the warranty company offer the licensing. So the licensing was not on the work as such; it was going to be through the warranty. Basically, you've got to have a warranty. If you did not fulfill all of the requirements, the next time you wanted to go and build something, you would have to get another warranty, again, through the insurance companies. Since you didn't fulfill the last one, they wouldn't give you a warranty for the next one, and that would stop some of it. I have been trying to find where that is in the bill, so if the minister or associate minister would like to point me to the right section, seeing as we're in a section-by-section analysis, that would be helpful.

I think that when we consider things like the New Home Buyer Protection Act, certainly I can't unweave it from the two other pieces that we have seen fail us. One is part of the building codes, but it's not so much the building codes themselves. It's just shoddy business practices, or it's not clear enough that there's an expectation that it's well built and what some of those details are.

4:50

If you want some past examples of where that's failed people in Alberta, we had, for example, the government approve a certain building material in the mid-90s called pine shakes. They were on a list of approved materials that people could use, check-marked, you know, kiss of approval from the government. So they believed that this was a good product, and they bought it. It was substantially cheaper than the cedar shakes. In fact, they were terrible. They moulded; they cracked. The scandal of the 2010s was the pine shakes scandal of the 1990s, basically.

The whole craftsmanship building products, to me, is interwoven with the warranty and one other piece, and that is always the monitoring for compliance and the enforcement of compliance. With any one of those set apart, if they don't have the other two pieces in them, they don't succeed. I think we have to consider them together.

I would have liked to have seen this extend beyond the simple warranty program that they've done here, which is essentially an insurance program, but they're making you get it. Like car insurance, where the government says that you have to have PL and PD. You must have it; it's the law. You can't drive a car without it. The government says that you have to have it, so then the government regulates it so that it is affordable for people because you can't put people in a position where you say that they have to have this, and then it's too expensive for them to have it. Like car insurance, we're now developing a corollary here in the New Home Buyer Protection Act where the builder has to have that warranty, which is, in fact, an insurance plan. The builder is betting things will go wrong, and the insurance company is betting that they won't and that they'll make money on it.

I'm not particularly seeing how this is all going to knit together. Let me just give you a few examples of that. I don't know how many of you, when you drive around, have seen that very common kind of California strip mall design. You can see it from a ways away. It's always got a little peaky thing and often a little circle in

it. It's just so California strip mall, and you think: "Who would build that here? This is a winter city."

I would like to see us be proud of the things we've learned as winter people in a winter city in a winter province because we have developed ways of doing things that do take into consideration the fact that we live in a place where it snows and it gets cold, even far enough north where you get permafrost. You've got to deal with all those things. [interjection] Yeah, snowmobiling; that's good, too.

Why aren't we promoting our knowledge of building materials and building construction models that understand and use a winter city's approach? It's another way we could be marketing some our knowledge.

I'm sure I don't have to prod people very hard to think of some of the things you've seen and you went: "Why on earth would they do that here? What a stupid idea." I'm thinking of those pebbles and glue that were used in a number of sidewalks. I went through university by cutting grass in the summer and shoveling snow in the winter, and I took one look at that stuff and went: not going to wash. The first time you brought along a steel blade on that pebble-and-glue stuff, it broke the pebble stuff up. It just made a mess of it. It worked great around the pools in the California brochure that you looked at. Not a good idea for use in Edmonton or Calgary or even Lethbridge.

It's not just the material; it's also the usage of the material. You heard me talk earlier about the acrylic – hang on.

An Hon. Member: The siding.

Ms Blakeman: No, it's not the siding. It's the plaster. It's the goopy stuff.

There are two kinds of it, cementitious and acrylic. The acrylic was fairly new, and it was much loved. It is still fairly new. People really liked it because you could get vibrant colours. With the cementitious plaster – I hope I'm saying that right; yeah, I guess that's the word for it – it was very soft, muted, pastel sorts of colours. The thing is that with the acrylic, you can use it here. We did develop it well enough. You can use that acrylic plaster, but it has to be thick enough. You can't put it on in a three-quarter inch. I couldn't tell you exactly how it has to be. I can just tell you that I know that it's thicker than the standard.

There are a couple of things that we could be doing to promote ourselves and our own expertise when we've got somebody in the back there that used to build manufactured homes. I'm sure that, you know, the way he built them to deal with our winters is different than somebody would build it in Arizona.

The final point I want to make is how you knit this together with the inspections. You can pass as many of these pieces of legislation as you want, but if we don't have the inspection or monitoring provisions in place to make sure that there is compliance with what's been set out, it's useless. I'm sorry; as soon as they know that nobody is watching them, people are going to do it. They want a profit. They're going to cut a little bit of a corner, and when nobody says anything, they're going to cut a bigger corner. It happens. I want to know that we understand that these kinds of things do need that monitoring for compliance and, more than that, that there's an enforcement for compliance.

Sometimes that enforcement for compliance can be quite innovative. It doesn't always have to be a stick. Sometimes it could be a carrot. It doesn't always mean a fine because sometimes that will just make people try and figure out a different way to do it to simply avoid the fine. To me, these things go together: the warranty, the building codes, the building processes, and the inspection and monitoring for compliance.

Thank you to the government for listening not only to me but to many other people who were quite concerned about this.

It doesn't help anyone that's already owning their condominium. Last plug on this one: we also need to update the Condominium Property Act itself, which is decades out of usefulness. It always was, actually. It was always way behind. Most of the condominium act is focused on a developer building a condominium and at what point he hands it over to the people that have bought it. It doesn't deal with the fact that we now have condominiums that are 30 years old. We now have condominiums that have been converted from apartment buildings into a condominium.

The frustration and struggles that people are having currently with living in a condominium and that whole condominium life are not covered under the current condominium act, and it has to be. We have more and more people living in that situation. It really needs to be covered. I've been asking Service Alberta for probably four or five years. I'm sure I'm going to be told by the minister that they're consulting. Well, the previous minister consulted.

I even had someone on that committee, and it just turned out to be a bunch of lawyers – God bless them – who represented different parts of the condominium community. Some represented the builders, some represented the condominium boards, and some represented the property management companies. But they were all lawyers, and all they did was sit around and talk about the nitty-gritty of it. Guess what? Nothing happened with the committee. The Minister of Service Alberta actually has one of the neatest ministries going because it's consumer protection. I am now going to turn my laser light gaze upon him to be moving that condominium act along because it's quite deficient and needs to be brought up to speed.

5:00

Finally – I am way off on a tangent here, and I recognize that, Mr. Chair; thanks for your patience – we do also need legislation on life-lease arrangements. I will not go into any more detail on that other than to say that I've got a life lease. Where's the other one? Clareview, I think. I know that they're coming. They're turning up in smaller towns. They are, really, a living situation that's halfway between a pure rental arrangement and a condominium. But right now there's no legislation that governs them, and they're starting to have some issues about: how are they taxed, what happens when you sell, is that considered a capital gain? They're getting into court, and there's nothing for the judges to work with. So for those of you that don't like judge-made law, remember that the judges can only interpret what is actually written, and right now they don't have anything to work off of for the life-lease situations.

So for the Minister of Service Alberta there are two things that I'm putting on his plate. One is the life-lease arrangement. The other is the condominium act.

Thank you very much to the Minister of Municipal Affairs for doing the work on this new-home buyer protection. I am very happy to support it in Committee of the Whole, and I look forward to discussing the anticipated effect of it, which should be wonderful, in third reading.

Thank you.

The Chair: Thank you, hon. member.

The hon. Member for Lacombe-Ponoka on the bill.

Mr. Fox: Thank you, Mr. Chair. It's a pleasure to rise and speak to this bill because it really is out there as a consumer protection

bill, and I am for consumer protection. I don't think any member would argue against taking steps to enhance consumer protection. In fact, I think bringing forward consumer protection measures for the largest purchase most Albertans will ever make in their lifetimes, their homes, was long overdue. There are some things, you know, that are in this bill that I'm a little iffy about. There are some positives. There are some negatives. The intent of this bill, as I said, is to increase consumer protection for their most valuable purchase, and it's something that I do think we should support.

Some of the positives that I'm seeing in this is that it does propose a mandatory home warranty for all new homes to protect consumers against shoddy building defects, materials, and it gives homeowners a little bit stronger protection if something goes wrong with their new home. I do like that we're also looking to increase the general quality of new homes here in the province. I know that I for one would like to think that if I'm purchasing a new home, I'm not going to have to do any major repairs to it within the next six months, two years, 10 years. I mean, the purpose of buying a new home is not to have to retrofit the thing as soon as you buy it.

One of the negatives here that I'm worried about is: how much more bureaucracy is this going to create? We're talking about a new registrar. Who is that registrar going to be? What is their mandate going to be? How are they going to operate? Where are they going to go? What are the regulations going to be behind this? I mean, we're looking at this from a 10,000-foot view, but we don't really know how everything is going to be implemented.

Are we going to utilize some of the databases that already exist within Service Alberta, or are we going to create something new? You know, I'd like to think that maybe we might get a little extra bang for our buck on this one and upgrade some of the existing registry systems that we have and roll this in with it rather than creating a whole new one. I guess that's the fiscal conservative in me wanting to minimize the amount of tax dollars spent in the province on these sorts of initiatives.

Now, another question I have about that database. It's pointed out that it's going to be publicly accessible. How is it going to be publicly accessible? Is it going to be something that we can just access off the Internet, or is this something where we're going to have to go through a registry office? Or are we going to have to go to land titles and basically do a search of land titles through the SPIN program? These are things that we really don't know and that I'm hoping we will see in the regulations.

Again, it would've been nice to pass the first amendment because it would've put a time span on that. We would know how quickly these regulations are coming out, have them reported back, see it and be able to maybe offer motions and advice if it's something that we don't think is actually going to be in the best interests of Albertans to look after consumer protection here in the province.

Now, I remember when I bought my very first new home. I bought it in 2003. It was when I moved to Lacombe, actually, and it was a very proud moment in my life. This was the first home that I'd owned that nobody else had owned before. I was lucky in that I knew the builder. I had a personal relationship with that builder, and I trusted that builder. You know, it was reassuring to know that they had a home warranty program on that home then. When I looked up in the rafters, I could see stamps on the rafters and on the floor joists that had information on them so that I knew I was covered and that if something did go terribly wrong, if there was a defect in that material, I was going to be protected and I

wasn't going to have to come up with \$10,000, \$20,000, \$30,000 to try and fix a home.

For many of us and many Albertans, with the way the price of homes has gone, a lot of us are leveraged way out there on these things. On a \$300,000 home for a family you're paying quite a lot of money every month just to afford the mortgage on that. Now, I can't imagine – I really can't imagine – what it would be like if all of a sudden there was a problem with that house, and it wasn't covered under warranty, that there were some issues with the materials or with the workmanship in that home, and I now had to put another \$40,000 or \$50,000 into it. Where's that money going to come from? For the average Albertan, I mean, they're scrimping and saving and working as hard as they can just to have that house. What happens now? At least now, maybe, with this bill they'll have some recourse. They will have some protection and some ability that they never had before, especially in expanding out the envelope.

I'm also curious about what my colleague from Olds-Didsbury-Three Hills was talking about with the manufactured homes. Who is ultimately responsible for that contract? Do we have two warranty programs that each have to be purchased, one by the manufacturer of that home and then one by the owner once they decide to place it on a foundation? How much more is this going to cost Albertans? I mean, if this is a \$2,000 charge for the warranty from the home builder and then a \$2,000 charge to the Albertan when they place that manufactured home on the foundation, we have now effectively doubled the cost of the warranty program to that homeowner. Is that something that we want to saddle Albertans with? It's something that I would like to see fleshed out in these debates here tonight.

Now on to the subject of condos. I do have to say that I agree with the Member for Edmonton-Centre on the need to go into the Condominium Property Act. This thing is a couple of decades old. I know that when I was an insurance broker, the scariest thing that I would always be putting out there to my clients was: "What happens if there is a problem with that building, with the common area? It's now going to be assessed back against you. Can you afford that assessment?" Again, I relate that back to when I bought my first new home because when I bought that home there was no way – there was absolutely no way – had there been a defect in that property, that I was going to be able to afford to fix that defect so that I could either live in the home or then sell the home. If there is a defect in a condo, not only are we affecting one family, we're affecting hundreds of families just in one building.

We saw what happened out in B.C. with the leaky condos. It actually bankrupted their B.C. new-home warranty program. Now the only thing that's offered out there is through insurance brokers themselves. [interjection] Which is this. Yes, that's right.

5:10

This is something that's scary. Can you imagine that for just one – just one – condo in downtown Calgary the claim back against the warranty program was in excess of \$400 million? Four hundred million dollars. If that doesn't get paid out, what happens to those owners? They're bankrupt. There is no way that they can come up with the funds to fix that building. I mean, \$400 million assessed against – what? – 100 people. That's \$400,000 apiece for a condo that was probably worth \$200,000 to \$300,000.

What are we doing to Albertans when we don't put this protection in place so that they can have confidence in their biggest purchase, their home, something that they should be able to take pride in, not something that will crush them under burdensome debt and destroy their lives if there's a defect in that condo?

Ms Blakeman: Consumer protection.

Mr. Fox: This is consumer protection. You bet.

I like speaking about consumer protection because there is nothing better than seeing Albertans thrive through their purchase of property. I mean, we talk about property rights in this Legislature a lot, especially in this first session with the bills that we have going on, Bill 2, Bill 8. I mean, these are major property rights issues. We want to make sure that Albertans are protected in their property rights and in their property so that their investments in this province don't bankrupt them.

What service does it do Albertans if we bankrupt them because they don't have the protection when they make their largest purchase in the province, the purchase of their home? We want to make sure that they are covered. We want to make sure that the programs that are in place to cover them remain viable. Again I refer back to the B.C. new homeowners program. When that went under, I can't imagine how many citizens in that province that hurt. I can tell you it would have bankrupted a lot of them.

Now, when we have Albertans here purchasing their homes, we want to make sure that that program is there in place when they need it. We hope they never have to use it. I mean, that was the case with insurance. We always hoped that you'd never have to use your insurance policy, but it was nice to know that it was there. I can tell you from personal experience that that policy was usually the most expensive piece of paper that that person would ever buy, but the day that they needed it, that piece of paper was invaluable. There was no amount of money that would cover off what that piece of paper would do for them. It gives you peace of mind. It gives you the knowledge and the firm conviction that something is standing behind you and that you're not going to lose everything and that you're not going to be left on your own in the times that you need that assistance.

One thing that I would like to ask is: do the companies that are going to be providing these warranties have the necessary reserves to cover off catastrophic loss here in this province? If there is another condo in Fort McMurray or down in Calgary, two or three of these in one year, who needs to claim against the new-home warranty program, are they going to have the necessary reserves to compensate those homeowners, those condominium owners in that case? I would hope that if that happens, those people are covered, that it doesn't fall back on them so that they now have to declare bankruptcy and move, maybe even leave the province, because we didn't ensure that there were necessary reserves behind these programs.

We did do some stakeholder consultations in looking at this bill, and we did talk to the Canadian Home Builders' Association. We're happy to see that they're generally in favour of the bill. They do have a concern for owner-builders selling their homes within a short period of time. They want to make sure that the entire industry is represented and that they have a good name in the province and that they're not hurt by these one- or two-off builders that are out there building a shoddy product and giving the whole industry a bad name.

I mean, I worked in an industry where just one bad broker tainted us all. It was a horrible feeling to have somebody walk in and call you a crook or a cheat or a liar because of something somebody else did somewhere else in the province.

An Hon. Member: It's like being in politics.

Mr. Fox: Yeah, I guess it's like being in politics. It was a good place to earn a thick skin.

An Hon. Member: Or law.

Mr. Fox: Yeah. Yeah.

We have to make sure that Albertans are protected. It's just my pleasure to stand here today in support of a consumer protection bill. Now, I just hope that some of the amendments that are coming forward are looked at seriously and not just glossed over and voted down. I mean, far be it from me to stand up here. I call myself a fiscal conservative. I've been a hard-core conservative from the moment I entered politics, but that doesn't stop me from recognizing when I have colleagues in the NDP putting forward decent amendments that I think in some ways I can support.

With that, I thank everybody very much for their time, and I'll sit down and take any questions there may be.

The Chair: I'll recognize the hon. Member for Edmonton-Strathcona.

Ms Notley: Thank you, Mr. Chair. I'm pleased to be able to rise to speak to Bill 5, the New Home Buyer Protection Act, and to talk about some of the specific elements of it, that which is positive as well as that which I think needs some more work.

Generally speaking, I think the intent of the government is laudable in that we're attempting to provide protection to Alberta's new-home buyers. As many other people have already said, it's often going to be the biggest investment that anybody will ever make. It's not only an investment. It's about home. It's about where you live. It's about security. It's about using that security that you get from your home, that allows you to then propel yourself through the rest of your life. That's one of the reasons why, as a bit of a digression, we constantly talk about the need to provide housing for low-income families and families at risk. When you don't have that basic, basic foundation, then it's very, very hard to make your way successfully in other areas of your life. Homes are an investment and also a critical component to the well-being of all of Alberta's citizens and families. To the extent that this bill does provide some protection to those new-home buyers, I think that's a good thing.

[Ms Kennedy-Glans in the chair]

Of course, I'm always in favour of anything that allows for consumer protection. We reside in a province that has somewhat limited consumer protection initiatives relative to many other jurisdictions. We certainly have limited access to legal support should consumers need to pursue their rights in the courts. Heaven knows they probably have no hope of being able to secure those rights in our judicial system right now as it sits, so any kind of consumer protection initiative is a positive one.

But we do have some concerns. The previous speaker talked about how this is, in effect, an insurance system, that it's modelled on what they have in B.C., which was put in place after their horrendously unsuccessful building codes resulted in a disaster of huge proportions for many British Columbians in terms of leaky condos. Ultimately what happened was that the system that they had in place before went bankrupt, and people had no assistance, so now we have this system that they have now, which is somewhat mirrored by the legislation that we're looking at today. I think it's important to understand and to have a bit of an assessment of how it's working in B.C. because it is, as I say, a bit of an insurance model.

The last speaker sounded a little bit like one of those, you know, Manulife or whomever type commercials, where someone tells you that if you buy your insurance, it's all good, and you'll sleep well for the rest of your life, and everything will be perfect. They're just there constantly to make your life better. I mean, I suppose because I have been in that position of trying to extract

insurance benefits from insurance companies, I know it's not always sunshine and singing birds.

In any event, in B.C. in the last year, from June 2011 to June 2012, their home warranty program received 1,739 claims. About 574 of those, a little less than a third, were resolved between the claimant and the builder, being able to mediate a solution. Then there were about 161 of those 1,739 where some type of benefit was paid out, and the remaining 550 of them were rejected. I think that adds up.

5:20

What we're looking at there is not an overwhelming story of success, Madam Chair, because, unfortunately, there were a number of people that made claims who didn't actually have those claims resolved through the program that they have in B.C., which, of course, is mirrored by the program that we have in place here. I think we need to be a little bit cautious about, you know, breaking out the tickertape parade around this particular initiative.

Now, that being said, assuming that there is benefit to be provided by it, of course, one thing that we need to be aware of that this legislation does not deal with and that others have talked about is the fact that there is no retroactivity to it. We've just come – well, not just now but in the previous eight years or so, I suspect it would be fair to say – through quite a gargantuan building boom. The fact of the matter was that if any of us here knew of people who were working in the residential construction industry in 2007-2008, they knew that most of those certified tradespeople had been drawn in or sucked into the industrial sector, in most cases, because it paid better, and there was a shot that it might be unionized. Those who were working in residential construction often had less certification, less training, so some of what was being built was perhaps not the best thing. That's what happens when you've got booms. The quality of construction does tend to deteriorate.

[Mr. Rogers in the chair]

We've got a whole bunch of folks out there whose homes are now anywhere from four to 10 years old who are not covered by this, so we have some reason to be concerned about that. Of course, we have the examples in the condominium industry and, you know, some of the most obvious examples where there have been some horrible structural failures. Those people have at this point very little to provide them with assistance. Retroactivity is an issue that we're concerned about.

The length of time for the warranty that is prescribed in this legislation is also of some concern for us. There are many experts that suggest that the length of time that's currently laid out in this legislation is simply not adequate to ensure that structural deficits or mechanical deficits or whatever kind of deficits are possible are evident before the warranty expires. It's a problem that the warranty is so short lived. We're giving people a great sense of comfort, as the previous speaker suggested, but the problem is that we may be doing that a little bit falsely. The fact of the matter is that they may discover that they've got this great level of comfort only to find that as a result of this legislation the warranty that they had tucked underneath their pillow at night actually expired about six months before they discovered that they had mould or that the envelope was faulty or whatever the case may be. That's a concern that we have.

Another issue that we are concerned about is the issue of the building inspection and the fact that this act sets up or does not appear to prohibit the practice of having the building inspectors working for the warranty provider. That is a concern because I think that raises the potential for a conflict of interest. The

warranty providers, as much as that sounds really good – you know, it's the warranty provider; they sound really warm and fuzzy when you call them that, and I'm sure that that's the intention – really are insurance companies. Relying on an employee of the insurance company to tell you, "Oh, look at me; the people that we insured made a mistake, so yes, now we are the insurance company, and we have to pay you out" is problematic. There's nothing in this act that prevents that, so we are concerned that that's going to raise some issues.

The other thing that I wanted to talk about briefly is just the fact that, overall, what we really need to do – and I know other speakers have spoken to this already – is that we have to seriously look at our building code. Ultimately, a building inspector doesn't look at a building and conclude that the building is sound. What the building inspector does is say: has the building been built in accordance with the criteria that it must be built in accordance with? That's all they do. Often that criteria is, you know, signed off by an architect or somebody else. All the building inspector says is: did they follow the rules? But if the rules themselves weren't the right rules, then the warranty won't pay.

For instance, imagine you're in the situation, you know, 15 years ago in B.C. At the time it was perfectly okay to build a condominium that allowed for a great deal of leakage and ultimate deterioration because that's what the code allowed for at the time. Then the building inspector looks at it and says: "Well, they followed the code. Nobody made a mistake there." Then the person's house starts to rot because the code itself was inadequate, and then the person doesn't get anything from the warranty program.

The concern we have is that if this is not inextricably tied to an increase in the standards of the building code, then, again, there's a loophole that's awfully darn large, that you can, well, maybe not drive a truck through but certainly rain a whole bunch of water through. That's the concern that we have.

The final thing that I want to talk about is the issue of, as I said before, the length of time over which the warranty lasts. Let's say that we're talking about structural integrity and a failure in the structural integrity of the building. If the warranty runs 10 years and you discover that there is a significant breach in the structural integrity of the building that you have purchased at nine and a half years, you're cooking with gas. It's great. If you discover it at 10 and a half years, you're done for. There's nothing that you can do in terms of the warranty.

Now, as I said before, 10 years is a bit of a dicey time period because many people will tell you that 10 years is not enough time to determine that there is a structural deficit in the structure of the house. With condo owners we have an additional problem, and I would like us to consider finding ways to fix that additional problem, so I'm going to propose an amendment on that basis. As things stand now, that warranty on a house starts to run once the first person takes occupancy of that house, once they are certified to take occupancy, and once the title has transferred. That's when the warranty on the house starts to run. That's a good thing. That makes sense.

Unfortunately, the warranty starts to run on a condominium at a much different time, and it starts to run at a time when we are not entirely sure what the relationship is between when the warranty starts to run and when the owner-occupier actually moves in. What we could actually end up with is that, effectively, the person who buys it only actually has a warranty from eight years after they move into the place as opposed to 10. We would like to correct that.

Mr. Chair, I'm going to be proposing an amendment to Bill 5, and I will provide it to the table and then wait for it to be distributed amongst the members of the Assembly.

Thank you.

The Chair: Hon. members, this amendment will be A2, and as soon as we have a copy at the table, I'll invite the Member for Edmonton-Strathcona to speak on the amendment.

Ms Notley: On behalf of the Member for Edmonton-Beverly-Clareview I am moving that the New Home Buyer Protection Act be amended as follows, that section 1(1)(y) is amended by striking out subclause (ii) and substituting the following:

- (ii) in the case of the common property of a condominium corporation, 10 years beginning on the later of the date that
 - (A) a building assessment report is completed as prescribed, and
 - (B) the first unit is occupied.

Then in part B section 3 is amended by striking out subsection (4) and substituting the following:

- (4) With respect to the common property of a condominium corporation, coverage begins on the later of the date that
 - (i) a building assessment report is completed as prescribed, and
 - (ii) the first unit is occupied.

5:30

In essence, Mr. Chairman, this amendment seeks to change the date on which condominium coverage begins. As I said before, currently the bill indicates that the condominium coverage begins when a building assessment report has been completed. But, again, as we've already outlined in speaking to our previous amendment, since we do not yet know exactly what a building assessment report will be because the regulations around that have not been made, because we don't know how many inspections it's precipitated upon, because we don't know where in the building process the building assessment report is completed, because we don't know the relationship between the building assessment report's completion and the occupancy of the first unit, because we don't know any of these things because, of course, the government is keeping to itself massive regulatory authority, which is hardly new – it's what they do in most legislation – because we don't know that, we don't then know the effective length of the warranty that people are purchasing.

There have been occasions where a condominium is completed, where I can anticipate or imagine that a building assessment report would be completed and signed off on fairly early, but then a whole host of other issues arise which interfere with the purchaser and the owner-occupier's ability to take occupancy of that condominium. It's more common with condominiums than it is in the case of a single dwelling, obviously, because you're dealing with a multiplicity of people.

In any event, because we don't have the regulations completed around the building assessment report, the problem is that we could easily find ourselves in situations where people are actually paying for a home warranty – and they'll pay for it perhaps when they prepurchase their condominium, so they pay for their home warranty there – and then the building assessment report is not completed until later. Then the person for whatever reason is not allowed to move in until much later, so the warranty itself is abbreviated in relation to what happens with fee simple owners of a single property.

Given that often condominium owners tend to be younger people – well, not always. I shouldn't say that, I suppose. I'm probably speculating here. Certainly, seniors are a higher

proportion of condominium owners. I think I can say that with some certainty. But what we're doing is that we're providing a differing level of protection for condominium owners than we are for single-family or duplex-type residential owners because for those people the warranty doesn't start to run until they move in, but for condominium owners the warranty may well start to run a couple of years before they move in. We really don't know.

The point of this bill, then, is to ensure that that kind of thing doesn't happen. I can't imagine that the drafters of the bill anticipated that that kind of thing would happen. I imagine that they were trying to deal with the complexity that exists around the fact that you have a whole schvack of people moving into one common property and you've got to pick a date and find a time to properly assess: when is the trigger point, and when does the warranty start to run? That being said, there have been countless cases where the building is for all intents and purposes finished and then it deteriorates into a whole bunch of legal wrangling between all the multiplicity of parties that have to be involved in the investment and development of that building, and you can find there being a long delay between completion and occupancy.

This amendment simply seeks to ensure that condo residents are just as protected under this legislation as are new single-residence homeowners. As I said, this amendment simply means that coverage will begin for condos only at the point where a building assessment report has been completed and the first unit is occupied.

I was speaking with another hon. member and wondering whether that even in itself might be too early a trigger. Maybe we should be talking about when one-third of the units are occupied. You know, there's no question that there's some merit to that observation. I mean, in many respects we're kind of lowballing this, at least trying to ensure that somebody is able to move in there. So then a portion of the common legal barriers that exist between completion and occupancy, we can be sure, have been resolved before the warranty starts to run.

This amendment is solely designed for the purpose of protecting consumers, expanding consumer protection whenever possible, ensuring that home purchasers and condo purchasers in Alberta, as I said, the preponderance of whom I suspect are seniors, are as protected as they can possibly be under this legislation, that notwithstanding some of the other shortcomings we've identified under the legislation as it currently exists that we enhance their protection and also treat them fairly, equal to those who purchase single-unit homes.

I hope that members in this House will give some due consideration to supporting this amendment that's being made on behalf of the NDP caucus and, in particular, the Member for Edmonton-Beverly-Clareview.

Thank you.

The Chair: Thank you, hon. member.

Hon. associate minister, did you care to respond?

Mr. Weadick: In a moment. I'll hear some other folks, too.

The Chair: The hon. Member for Edmonton-Centre.

Ms Blakeman: All right. I'll give the minister time to come up with something.

I do support this amendment, and I was talking to the hon. member about it a bit earlier. I know of at least one condominium that was built, happily not in the fabulous constituency of Edmonton-Centre, in which people were expected to prebuy or at least put a sizable instalment down and then continue to pay. So I guess, actually, that arrangement was with their bank. They were

expected to prebuy the condominiums. Then I'm hearing people say that, well, they haven't moved in. This is two years down the road. I'm thinking: "Well, why not? Didn't you buy this condo?" "Oh, yeah. I'm still paying the bank for it. But there's been this problem and that problem and the next problem." They've never moved in. I think they might have even changed ownership. You think: well, that's not working out.

I agree that we need to be careful about when the clock starts ticking to start the warranty program, or the insurance program. This is all about timing. This whole act is about, you know: as long as the extension or the warranty or the assistance or the coverage will be for one year or three years or five years or 10 years. I mean, it's all about timing. Therefore, to be saying, "Okay; well, when the last tradesman walks away, that's when it starts," well, the last tradesman walking away may not be when people actually start to occupy that building.

If I can think of at least one, then this is not just a solitary problem. I know it'll be a surprise, but I'm not all-knowing and all-seeing. This problem exists in other constituencies throughout Alberta where we have that time lag. So I actually think it's a very good suggestion that we start the clock ticking when we have someone in a unit. Since for the condominium units you end up buying it yourself and different people can buy their coverage at different times, it's less an issue of when everybody is in and when the condominium association is formed because your coverage, as the associate minister has explained, covers your building envelope but also your share of the common areas.

So that might actually work the way it is, but I'm certainly grateful that it was raised because I had forgotten that timing does really become critical when you start launching these things. It's all about timing and when these things start and when they end.

I would recommend that my hon. colleagues support the amendment brought forward by Edmonton-Beverly-Clareview as presented by Edmonton-Strathcona.

Thank you.

5:40

The Chair: The hon. minister.

Mr. Weadick: Well, thank you. I appreciate the thought behind this because at first when I read it I thought: you know, maybe this is a reasonable thing. Then I looked at some of the issues around condominiums and around how they're constructed and at some of the issues around redevelopment of existing buildings, apartments, that are condominiumized. It starts to not work so well. I'm going to give you some examples. Many of our condominium developments are phased, so you would get a part of the construction under way, some people would move in, and construction continues. There are people living there, but people may purchase units two, three, four years after that fact, so we could've started the clock ticking way ahead of when we want to.

What we've determined is that we're going to use the building assessment report. We're going to include in that triggers for when the insurance can start so that even in a building that's under construction or in phased construction or reconstruction, you could set some parameters around when it actually started for different parts of the building. I don't want to limit it and maybe see it reduced. I think that's probably a very minimum, when the first person moves in, but in many construction cases you might be reducing the amount of warranty available to some of the members by a significant amount if it triggers when the first people move in.

I like the idea behind it, but I would speak against it and only say that we're going to ensure that all the people in the building, in

the condominium, both for their private property and the common areas have the full warranty that any private owner would have, which is right up to 10 years on the structure. We don't want to limit it in any way, and I think this might do that.

The Chair: The hon. Member for Edmonton-Strathcona.

Ms Notley: Thank you. Well, I very much appreciate the associate minister engaging in this discussion and this conversation. I think it's quite useful. Of course, you know, the process for developing a condominium will vary based on the condominium, whether you're dealing with redeveloping what was a walk-up, which is, unfortunately, happening far, far too much in my constituency, or whether you're looking at brand new construction. What I would simply point out to the associate minister in terms of his comments is that the proposed amendment says that it would be the later of the two. It would be the later of either a building assessment report or when the first unit is occupied. So it doesn't mean that it has to start when the first unit is occupied.

If for the reasons that the associate minister describes, the first unit is occupied earlier than it is appropriate to have the warranty commence, then it would be later that the warranty started because of the way this amendment is structured. It's structured to ensure that the warranty starts running at the later of the two options. It ensures that if for some reason there's somebody occupying one part but the building assessment report has not been completed appropriately for the full building or whatever, the warranty would not commence until the building assessment report was completed.

What this amendment is attempting to deal with is the opposite situation, where in some cases you could have the building assessment report completed, but you wouldn't have anybody occupying it yet because of other often indirect legal obstacles that may occur if, for instance, financing falls apart and suddenly the financiers and the developers are all fighting, and nobody takes occupancy because that creates a whole new set of legal rights, so everything is put on hold. In my riding, for example, there has been an example of that, of one condominium that went up on Saskatchewan Drive, a beautiful, luxurious condominium, that actually stood empty for about two years after it was completed because of that kind of dispute.

What this amendment is attempting to do is to protect consumers at all levels and to just ensure that it's the later of the two. Because the rules are not yet clear on exactly when the building assessment report would be done and because it's not possible for us to be sure that it might not be completed before occupancy occurs, or that it might be completed well before occupancy occurs, that's why we're proposing this.

I appreciate the associate minister's concerns, but I think the amendment deals with them by providing for the later of the two.

The Chair: The hon. associate minister.

Mr. Weadick: Well, thank you, Mr. Chairman. We believe that using the building assessment report to trigger this based on the type of construction is probably the best way to do it, but what we will do is take that recommendation around first unit as one of those considerations as we're developing what the building assessment report might impact. That may be one of those triggers that could trigger a building assessment report.

I think the spirit of it is good. I don't want to limit how we can use the building assessment report in various types of construction to ensure that we can get the maximum benefit for the homeowner.

The Chair: Are there other comments on the amendment? The hon. Member for Olds-Didsbury-Three Hills.

Mr. Rowe: Thank you, Mr. Chair. I'll support this amendment. Again, it has to do with the assessment report. There is some concern that we're not sure when that has been completed. We're not even sure what a building assessment report will be because a regulation has not been made.

Those are some of our concerns. I won't belabour the point. I would just recommend that my colleagues support this one.

Thank you, Mr. Chair.

The Chair: Other comments on the amendment?

Seeing none, I'll call the question.

[Motion on amendment A2 lost]

The Chair: Back to discussion on the bill. The hon. Member for Edmonton-Strathcona.

Ms Notley: Okey-dokey. Well, as I've said, we have a few concerns about this bill. I think I outlined a lot of them originally as I started speaking, but one of the additional concerns that we have refers to mandatory minimum coverage periods for statutory protection under the contract. I have an amendment that relates to that, so I will provide that to the table and wait for it to be distributed.

Thank you.

The Chair: This amendment will be A3. As soon as we get a copy to the table, hon. member, you can speak to the amendment.

Hon. member, please proceed.

Ms Notley: Thank you, Mr. Chair. As I've said before, we are concerned that the mandatory minimum coverage periods outlined and stipulated in this legislation are not adequate to provide full and comprehensive protection to new-home buyers in Alberta. The legislation as it is currently written sets mandatory minimum coverage periods for statutory protection under all new-home warranty insurance contracts in Alberta. As it currently sits, a warranty must include at least one year of coverage for defects in materials and labour, two years for defects in materials and labour related to delivery and distribution systems, five years of coverage for defects in the building envelope, and 10 years of coverage for structural deficits.

Mr. Chair, we have consulted in the NDP caucus with experts who raise serious concerns about two of the coverage periods, at least, specifically one year of coverage for defects in materials and labour and five years of coverage for defects in the building envelope. One year, we're told, is very little time to determine if defects in materials or labour are present if, as is sometimes the case, it takes several months for new-home owners to move into their new residences. Therefore, we are proposing extending the minimum coverage period for these defects to at least two years. Secondly, according to the experts that we have consulted, defects in the building envelope may take 10 years or even longer to become apparent. Therefore, we are proposing to extend the minimum coverage period for building envelope defects to at least 10 years.

5:50

Mr. Chair, I had the great privilege of living in British Columbia during the '90s for a period of time. I was much younger there – I was in my early 30s – and several of my friends went out and purchased condominiums during the time that I was there. I still to this day feel some guilt in relation to one friend who I very, very enthusiastically encouraged to purchase a condominium that overlooked the Burrard Inlet. A lovely, lovely condominium: a stunning view, beautiful roof deck, all that kind of stuff. The

building itself – I can't remember how old it was now – was not very old. She reached to the very end of her financial wherewithal, and she purchased this lovely condominium that overlooked Burrard Inlet and the Lions Gate Bridge. You could hear the seagulls when she was out on the deck. It was a lovely, lovely place.

Unfortunately, within a year she and her co-condominium owners became aware of the fact that that building had significant leaking problems that had not been discovered in the course of the inspection that she engaged in before she purchased it and that had not been disclosed or people had not been aware of before that was finished. Ironically, after spending all this money for this spectacular view, she then spent, not a word of a lie, two years with the view covered in a tarp. She had no ability to actually see that Burrard Inlet and that beautiful Lions Gate Bridge because of the tarp that covered the whole condominium. Anyway, when all was said and done, she had to spend an extra \$200,000 on getting her portion of the condominium corrected.

Mr. Chair, the point is that the building was older than 10 years when she moved into it, not much older than 10 years but a bit, and it was certainly well beyond five years old. Had she spent extra money on top of the premium that she paid for the stunning views and the seagulls and the Lions Gate Bridge and purchased the warranty that is being proposed under this legislation, she would have not been successful, you know, had she been there when it was first built because the leakage occurred and became obvious to everybody well after the five-year period. And that's in a place like Vancouver where it never stops raining, ever, except on that one day every 30 days when you go house shopping, and it talks you into buying the condominium with the great view on that particular day.

Anyway, the point being that it was very clear, and anyone in Vancouver can tell you that building envelope problems do not become obvious, necessarily, within the first five years of construction. Having that in this warranty means that we are going to exclude a number of new-home buyers from coverage by the warranty. We know that the leakage issue is, in fact, a growing problem in Alberta. We've had experts, and we've had architects out there saying that our building code as it currently exists is not too dissimilar from the building code in B.C. As a result, the same vulnerability that existed there with respect to leaky condos now exists in Alberta. We are concerned about this, and we're proposing these changes.

Our amendment is supported by Professor Tang Lee. Professor Lee has been teaching architecture students about building envelopes at the University of Calgary for over 35 years, and he has consulted and served as an expert witness in cases of leaky condominiums and other buildings. He's an expert on the National Building Code of Canada, specifically part 5, which addresses building envelopes and environmental separation. He tells us that five years is not long enough, folks.

If we want this warranty program to be all that the government claims it is, we should make these changes. This legislation should not in any way be a protective mechanism for incompetent home builders or the private companies that serve to benefit greatly as warranty providers through this legislation. In endorsing the spirit of this legislation, let's at least make sure that it is strong enough to protect the interests of the consumers and that the time periods stipulated are in accordance with expert recommendations.

So I ask the members of this Assembly to support our motion with respect to amendment A3, the motion that is being submitted, once again, on behalf of the Member for Edmonton-Beverly-Clareview.

The Chair: Thank you, hon. member.

I'll recognize the hon. associate minister.

Mr. Weadick: Thank you. It's getting to be a bit of a habit, but I'll speak against this amendment as well, not because of the spirit behind it. I like the idea that they're trying to get extra. Don't forget that this is a mandatory home warranty program, so this is the minimum. This is what people have to provide when someone builds a new home or condominium.

Mr. Chairman, the numbers that we put in, one year and five years, are consistent. But don't forget that on the five-year building envelope we're having companies have to offer a seven-year option. It's mandatory that they offer a seven-year option to homeowners on building envelope. That's not to say that people can't buy more than this if they choose from their insurer, if they think that building envelope is a big issue, but it drives up the cost of each and every home.

It's a cost issue. We know that we can get this kind of protection for homeowners for about \$1,700 to \$2,000 per home. We believe it's reasonable. It's a great level of coverage. We aren't even sure what the seven-year building envelope will cost, so what we've asked the industry to do is work out the costs and offer it to homeowners as an option. Homeowners will have the option to say, "I believe going to a seven-year envelope would be appropriate, and I'm willing to pay for that," because, of course, the homeowner does pay for it anyway. I'm guessing that over time you may see increased coverages available, not mandatory but optional, for the homeowner to pick what kind of coverage they want, the same as they can when they insure anything else.

We've set a standard that we believe is appropriate, that's affordable for Albertans, that will keep home ownership affordable in this province, that will meet the biggest issues that we see around timing for mechanical systems, for envelope, and, ultimately, for structure. We believe that the bill as it's set up really does meet those minimum standards that we think are appropriate for Albertans.

Thank you.

The Chair: Other comments? The hon. Member for Lacombe-Ponoka.

Mr. Fox: Thank you, Mr. Chair, and thank you to the associate minister. I did have a couple of comments and questions on this. When you're offering this product – if you're buying a spec home, the warranty is already purchased on it. So is there going to be an availability for the consumer of that spec home to turn around and come back to another warranty provider to purchase the additional coverage, or is that coverage going to need to be purchased at the time that the builder actually purchased it, when they started construction of the home? Usually these warranties are purchased in lumps by the builders. They're not really one-offs.

I know several in town that are just on a program with the warranty provider, and it's automatically attached to every new home that they build. So what mechanism is there going to be to make sure that the consumer knows that this option exists, that there's an extra cost to it? Where are they going to go to purchase it? I don't know of a product that exists right now within the industry to cover this off.

The Chair: Thank you, hon. member.

Hon. members, pursuant to Standing Order 4(4) the committee is recessed until 7:30 p.m.

[The committee adjourned at 6 p.m.]

Table of Contents

Prayers	551
Introduction of Visitors	551
Introduction of Guests	551
Members' Statements	
Francophone Education	552
Justice System Review	553
Managing Extractive Industries	553
Literacy	561
Travel Alberta Alto Awards	562
Driving Competence Test	562
Oral Question Period	
Justice System Review	553
Health Services Expense Reporting	554
Provincial Fiscal Policy	554
Municipal Funding	555
Lobbying Government	556, 559
Rolling Power Outages	556
Mandatory Reporting of Child Pornography	557
Primary Care Networks	557
Child Poverty	558
Children in Care	558
Disaster Assistance	559
School Fees	560
Urogynecology Wait Times	560
Municipal Taxation	561
Tabling Returns and Reports	562
Orders of the Day	563
Government Bills and Orders	
Committee of the Whole	
Bill 2 Responsible Energy Development Act	563
Division	565
Bill 5 New Home Buyer Protection Act	571

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