

Province of Alberta

The 28th Legislature First Session

Alberta Hansard

Monday evening, May 6, 2013

Issue 54e

The Honourable Gene Zwozdesky, Speaker

Legislative Assembly of Alberta The 28th Legislature

First Session

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Legislative Assembly of Alberta

7:30 p.m.

Monday, May 6, 2013

[The Deputy Speaker in the chair]

The Deputy Speaker: Please be seated.

Government Bills and Orders Committee of the Whole

[Mr. Rogers in the chair]

The Chair: Hon. members, I'd like to call the Committee of the Whole to order.

Bill 19 Metis Settlements Amendment Act, 2013

The Chair: I'll recognize the Deputy Government House Leader and Minister of Aboriginal Relations.

Mr. Campbell: Thank you, Mr. Chair. I'm pleased to rise today in support of Bill 19, the Metis Settlements Amendment Act, 2013. I'd like to thank the hon. members from across the aisle for their support of this bill. I'm going to be very brief because I know that the Leader of the Official Opposition has some comments

The focus of Bill 19 is on governance and accountability, which will contribute to the sustainability and future economic prosperity of the settlements for the benefit of all Albertans. The intent of these amendments is to define the role of settlement councils and settlement administration. The amendments are a product of extensive consultation through long-term arrangements and negotiations, which resulted in a 10-year agreement signed by the Premier, the president of the Métis council, and myself.

During second reading members of the opposition made comments on Bill 19, most of which were in support of the legislation, and I appreciate that. I have to be clear that this act was developed in full consultation with the Metis Settlements General Council and settlements over the last year. For me to accept amendments without first consulting or discussing with the Métis settlements leadership would be inappropriate. I think the hon. members from across the aisle recognize that and can respect that process.

Some suggestions for improvement, like a code of conduct for the settlement administrator, should be considered, and I will be bringing them forward to the Metis Settlements General Council for their comments. Our intent is to bring forward additional amendments in 2014 to reflect the ongoing work with the long-term arrangements and to clean up several sections of the act that have outdated language. The suggestions of the hon. members could be incorporated at that time if they are accepted by the Métis settlements leadership. I believe some of the suggestions are worth considering, and I'll be willing to incorporate them during our next set of amendments if the Metis Settlements General Council agrees with them.

With that being said, the amendments before you in Bill 19 have been endorsed by the Métis settlements leadership, Mr. Chair, and I think that's very important. They clarify the role of the settlement councils as a policy role, and the role of settlement administration is to implement the policy decisions of councils.

As for enhancing accountability, the amendments establish a code of conduct for councils, standardized reporting, business plans, and a joint Alberta-Métis settlements process to examine

new ways of increasing accountability. The development of a code of conduct reflects long-term arrangements and their commitment to increasing accountability. Among other things, it will include rules related to conflict of interest and disclosure when or if a councillor may be associated with a settlement business and rules that apply when a conflict has been disclosed.

A general election will be held every four years instead of every three for each settlement council. General elections will be held on the first Monday in October in an election year, starting in 2013. This change is consistent with the changes made to the Local Authorities Elections Act. The amendments to Bill 19 will also provide settlements with the ability to elect their settlement chairs at large during the general settlement elections or to keep the status quo. A settlement bylaw will be required to allow for the option.

A joint review committee made up of government and Métis settlement reps will be established to review in a comprehensive way all accountability and enforcement provisions in the Metis Settlements Act and make recommendations for change. There will be a requirement for the settlement councils to develop annual three-year business plans. This will include public notification, posting of business plans, and reporting at the required annual meeting of the settlement. Settlement councils will be required to report on expenditure and revenues on an annual basis. This will mean a general council policy to allow for standardized financial reporting in establishing the details of the report.

The amendments also pertain to the roles and responsibilities of the settlement administrator. The administrator will be the head of the settlement administration to help ensure a clear separation between policies and administration. Roles and responsibilities of the settlement council will also be clearly defined when it comes to the development of bylaws and policies. Settlement councils are to oversee operations without getting involved in the day-to-day administration of settlement corporations. This is to ensure a separation between the roles of the settlement administrators and those of the settlement councils.

A general council policy will be required to establish an independent committee to recommend rates of remuneration, expenses, and other payments or benefits for settlement councillors. A general council policy will be required to consider the recommendations of the review committee and prescribe the maximum remuneration, expenses, and payments and other benefits payable by a settlement council to a councillor.

Finally, Mr. Chair, Bill 19 will also repeal the sections of the act that refer to the Métis settlements ombudsman. A review of the office was conducted in December 2012. The review determined that there were more effective mechanisms for addressing the function and protecting the public interest on Métis settlements. My ministry will work with the Métis settlements to develop more effective accountability mechanisms.

Thank you, Mr. Chair.

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

Ms Smith: Well, thank you, Mr. Chair. This is the first opportunity I've had to bring through a slate of amendments on a bill, and I'm delighted to be able to speak to the Metis Settlements Amendment Act, 2013. In my second reading comments I did express support for the general direction that this is going. But I do think it can be improved, and I did let the minister know that I would sending over some proposed amendments.

I do find it interesting that we're in the process of passing a piece of legislation to help guide the process that Métis settlements will use to pass legislation in a way that is more transparent

and accountable, yet there's such a rush to get through this that it does not appear there is any opportunity for us to be able to give full and fair consideration to these amendments, debate them on their merit, without going back to the Métis settlements for consultation, as the minister just said. I appreciate that he does have to go back to the Métis settlements for consultation, but it does kind of make me question what the rush is in pushing this through the various stages of the readings when in point of fact since this session continues we could actually take the time, do the proper consultation, come back to debate the amendments, pass a few of them, and finish the reading in the fall.

I think that this is an interesting irony that we're in. Here we are giving some direction to the Métis settlements about the kind of time frames that they should have in passing their legislation, the type of public consultation that they should do – in fact, they have some pretty interesting provisions in their current act about that – yet we don't actually follow the same kind of process that we're asking the Métis settlements to follow. I do find that a bit disappointing.

Knowing that none of these are going to pass this evening, I will go through and at least make the best argument for them in any case, and hopefully some of my colleagues in the Official Opposition will lend their voice and their support. Perhaps we'll be able to get an indication from the minister about whether or not he thinks it is likely to pass with the settlement councils.

Again, I think this is just sort of indicative of how we may need to change the way in which we do our work. If we're sort of rushing through things and squeezing out that process of consultation because we're in such a race to get through the different readings, I don't know that we're going to be passing very good legislation. I have to say that I support the view that the leader of government, the Premier, had put forward in her leadership race as well as during the election about slowing down the legislative process, having more time between the different readings so that you do have the opportunity to look at the amendments being proposed by the opposition, to do proper stakeholder consultation. I hope that the Premier does live up to that commitment at some point, but I have to say that I'm a bit disappointed that it hasn't happened in this case.

That being said, I did want to give the minister an early headsup about the amendments that we were going to propose today, so I sent him a letter, and I've also provided the other opposition parties with the amendments in advance. So, hopefully, we'll be able to go through this rather quickly. I don't think that there's much point in belabouring the amendments. I just want to get them on the record and hope that at some future point we'll be able to pass some of them.

In the letter that I sent to the minister earlier today, the amendments fall essentially into six broad categories. The first is that in giving oversight to the settlement administrator, the power should be exercised within guidelines set by general council policy. I think the concern that we have here is that we want to make sure that there are executive limitations on the administrator since the general council is now empowering that administrator with the requirement to be able to hire employees and set the remuneration.

7:40

I also have some concerns that certain sections of the budget bylaws have now been removed from the public notice and public approval requirements that all the other bylaws have to operate under, so I will be putting forward an amendment to be able to address that in two different parts.

We also have a concern about some of the language around financial reporting. The fact that we use the term "financial reports" as opposed to the clearer language of financial statements I think is problematic. I think we need to make that a little bit more clear so that we're giving direction about the standards that we're hoping the financial statements live up to as well as making sure that they comply with the international standards of accounting, which is what we're trying to do, to move the settlements closer to what the expectations are of other orders of government.

Finally, as well, I think that there is some need to address the issue of the settlement administrator being clearly under conflict-of-interest rules that are established by council.

I've also indicated to the minister that because there's some age on the legislation, there are two areas when he brings back amendments that he may want to consider opening up as well. In division 2, existing leases land access panel, 187(2)(c), it mentions four associations that no longer exist because they've changed their names or merged or split apart over the years. Then in schedule 2, investments, under 1(2)(f) there is "securities of the Alberta Energy Company." Again, a company that no longer exists. We can't make amendments to those sections because they weren't brought forward in the initial amendment act. So if the minister is going to bring it back, I just wanted to flag those two as areas that are going to need a revision.

Just going forward, I'll start with my first amendment. Mr. Chair, since I'm new at this, you'll just have to remind me of the time frame. Do I wait until this is circulated before I continue speaking?

The Chair: Hon. leader, yes, you can circulate those. When they've just about been circulated, you can speak to it. If you could just give us a few minutes, and catch your breath.

Ms Smith: Fantastic. Thank you.

The Chair: We'll call this amendment A1, hon. leader. You may start to speak, hon. leader.

Ms Smith: Thank you, Mr. Chair. I would like to move that Bill 19, the Metis Settlements Amendment Act, 2013, be amended in section 13 in the proposed section 48(1)(b) by striking out "may" and substituting the word "must" and by striking out "other duties" and substituting "the duties."

If you go to Bill 19, section 13, when it's describing what the role of the council is in the section under settlement administrator, what it now says is that a settlement council under (b) "may prescribe other duties and functions of the settlement administrator in addition to the duties and functions set out in this or any other enactment." What this amendment then would effectively do by striking out "may" and inserting "must" and striking out "other duties" and putting in "the duties" is that it would then read that a settlement council "must prescribe the duties and functions of the settlement administrator in addition to the duties and functions set out in this or any other enactment."

What it does is that it takes away the arbitrary nature by having "may" or "may not" and putting in "must," creating the obligation on the council to ensure that it puts the proper executive limitations in place so that the settlement administrator isn't just bound by what is in the legislation but is also bound by the overriding direction of the settlement council.

Once again, the reason why we think this is important is because there is now in this new model an awful lot of power being transferred to the settlement administrator. In doing so, we think it's important that the council retain the very clear direction and obligation to prescribe and proscribe the duties and functions of the administrator. The language where it just says "may" makes

it a little bit too optional, in our opinion. We do believe that it should be "must."

If you look at the section right above that, it mirrors that same certainty, that a settlement council "must appoint a settlement administrator and fix the settlement administrator's remuneration and terms of employment." It seems to me that there has to be a greater degree of direction and authority vested in the council in that second part where they must also prescribe and proscribe the duties and functions.

I'd be happy to hear from any opposition member or the minister about whether or not he thinks the settlements would be likely to support that change, and I look forward to the debate.

The Chair: Thank you, hon. leader.

Hon. minister, do you care to respond?

Are there others? The hon. Member for Rimbey-Rocky Mountain House-Sundre.

Mr. Anglin: Thank you, Mr. Chair. I rise in support of the amendment. What I just want to say about it is that by changing the language from permissive to prescriptive by saying "must prescribe the duties and functions," I think that provides clarity to the section of the act. Clarity, in my view, is something that I think a lot of people, particularly the Métis and even the government, can agree to.

I understand some of the arguments made that the minister wishes to go back and consult. I agree with our leader. What's the rush? We can basically adjourn, and then we could actually consult and come back in and finish this.

In the meantime, if you take a look at the amendment based on its own merit, seeking clarity for this section in the description of the duties seems not just logical but basic in the application of the act. That's, to me, providing some sort of logic and clarity.

Quite frankly, consistency is something that I will support. I urge all my fellow members and even some of the government members to support that.

Thank you very much.

The Chair: Thank you, hon. member.

Are there others? The hon. Member for Calgary-Mountain View.

Dr. Swann: Thanks very much, Mr. Chairman. Let me begin by saying that Bill 19, the Metis Settlements Amendment Act, 2013, is a tremendous piece of legislation. I think it's great progress. It represents real leadership and a desire to find common ground with First Nations, to build the capacity not only within the Métis nation but also to develop stronger mutual support, shall I say.

Having said that it is a tremendous step toward clarity and accountability and transparency and standards, I think I have to say that this amendment would add to the clarity and accountability and standards that we all welcome not only in our current government but that we welcome in every level of government so that everybody knows and everybody has an understanding and everybody expects the same thing. I think for citizens, for taxpayers, for people who elect representatives to serve their purposes, this kind of clarity and certainty is vital to the whole democratic process, or people check out. They stop paying attention. They stop caring. They stop raising their voices. It's all part of a very important process that we have all entered into because we all want it.

This is a very sensible amendment that's simply going to, I think, add to what I think the minister is moving towards and has made great strides towards. It will simply add that greater certainty and clarity. It won't be, as has been said, as permissive. It will be prescriptive: this is what your responsibility is, and this

is what you will be held accountable for both by other Albertans and the government of Alberta but also by your own citizens.

I, too, welcome this minor wording that will just add some more stability, certainty, and, I think, accountability for this whole progressive process that I think the minister deserves a lot of credit for.

Thank you, Mr. Chair.

The Chair: Thank you. Are there others?

Mr. Campbell: Let me put everything into context, Mr. Chair, for the rest of the amendments. I won't be accepting any amendments tonight or voting on any of the amendments tonight.

Two of the speakers have talked about how this is a quick process. This bill has been 75 years in the making. I can say to you that this bill has been, at least in the last four years, very dedicated to coming to a long-term agreement with the Métis settlements in Alberta. The last LTA ran out, and I can tell you that there's as much urgency on the part of the Métis settlements to get this LTA in place as there is in the government.

7:50

Mr. Chair, the reason I won't accept any amendments tonight is because this has been a negotiated process. We've respected the rights of the Metis Settlements General Council, and we've respected the rights of the chair within the negotiation process. Having said that, I am more than prepared to bring these amendments back to our discussions with the Metis Settlements General Council and will bring forward amendments again in the spring.

To suggest that we're trying to rush through a bill is not true. I can tell you that I myself have spent the last year working on this agreement with my department to get to the point where the Metis Settlements General Council wanted to move forward on this.

As I've said in my other speeches, I'm very proud of the work that the Metis Settlements General Council has done. I'm very supportive and very proud of the work that all the settlement chairs have done. Mr. Chair, this legislation is the result of that negotiation process, and I will not do anything to ruin or bring into disrepair that relationship that we've built so far.

Thank you, Mr. Chair.

The Chair: Thank you, hon. minister.

Are there others? The hon. Member for Edmonton-Beverly-Clareview.

Mr. Bilous: Thank you, Mr. Chair. I rise to speak in favour of this amendment. I can appreciate the minister's comments as far as the fact that much discussion has taken place with the different leaders of the Métis settlements. However, you know, Committee of the Whole is a very important process in our legislative process before we pass bills, and it's to give all opposition parties the opportunity to look at a bill and look at improving and strengthening a bill to ensure that the legislation is as comprehensive as it can be. I mean, truthfully, I appreciate the minister's comments. However, once this bill is passed, it's very difficult to go back and amend a bill. As opposed to kind of doing a haphazard job here in the House, I think we should take the time before we pass a bill to ensure that it has all the different elements addressed.

Dr. Swann: Why bring it here?

Mr. Bilous: Well, that's a very good point. You know, it's here in the Legislature, Mr. Chair, so that the different parties can bring

their perspective and ideas to the bill to ensure that Albertans are guaranteed the highest quality of debate and that democracy remains to thrive.

As I said, Mr. Chair, I'm rising to speak in favour of this motion. I think any time we're trying to not only clarify and show transparency but to clarify the different roles and responsibilities within prescribed legislation – I mean, clearly, we're changing the word "may" to "must," which I think narrows the scope and makes it much easier for a position to be held accountable, for duties to be outlined very specifically. The challenge with the current wording is that it is a little ambiguous. We're not sure under circumstances (a) or (b) if certain responsibilities or duties apply.

This is, I believe, a very reasonable amendment, and it's quite disheartening to hear the minister speak in generalities that all amendments this evening toward improving the Metis Settlements Act will be rejected by the minister. I can appreciate that this process has gone on for some time. There have been discussions with the different leaders of the Métis settlements. However, there has not been the opportunity for this House to debate this bill and to bring forward amendments and recommendations to improve it, so it's quite disheartening to hear the minister say that none will be accepted. I think it's our responsibility and the responsibility of all 87 members in this Chamber to ensure that we're representing our constituents and that everyone is given the due course to speak and make recommendations.

With that, Mr. Chair, I hope that the other 86 members of this Assembly will truly look at some of the amendments that are being put forward, the merits behind them, and seriously contemplate their validity and how they're going to strengthen and improve the current bill as it stands.

Thank you, Mr. Chair.

The Chair: Thank you, hon. member.

Are there other speakers? The Member for Rimbey-Rocky Mountain House-Sundre.

Mr. Anglin: Thank you, Mr. Chair. I want to rise and just kind of respond to the minister's comment. I was one of the members that rose and made the comment about rushing the bill forward. I will retract that statement, but then I will make the statement that maybe the bill is premature. The fact of the matter is that I don't want to infringe upon the minister's ability to consult. That's not the point here. The point is that we also consult on this side. The whole goal of bringing these amendments forward is to look for ways that we can improve upon legislation based on the consultations that we go through with our stakeholders. That's what's happening here. If the minister needs more time to consult, I don't think there's anyone on this side that's going to object to that. That's not the issue. The issue is, then: why should we pass this bill before that consultation is finished?

But beyond that, when you look at the actual legislation, which I'm going to support – I think most members are going to support the legislation. It could be a split vote on the other side. I don't know. The fact of the matter is that I think most of my colleagues, when we discussed it, were supportive of it. To just deny outright or say you will not accept any amendment until you can take that back for further consultation – there's an easy solution that I think everyone could agree on. We just want to slow the process down, take some time, go back out and consult, and then come back to Committee of the Whole and get back and engage in the debate with these amendments to strengthen the bill, which is the whole goal of bringing amendments forward.

With that, I'll concede now to the hon. member.

The Chair: Are there others?

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

[Motion on amendment A1 lost]

The Chair: Now back to the bill. The hon. leader.

Ms Smith: Thank you, Mr. Chair. Well, it was sort of an interesting statement from the minister. I have to tell you that the House leader criticized us once before for not sending the amendments over. He said that if we'd sent them over, he would have had a chance to review them and discuss them with the caucus and might have been able to give full consideration to them. Now we're hearing from the minister that even though I sent them over, he's not going to listen to them anyway.

I guess I am looking for some direction from the government about what we actually do have to do to get them to give serious consideration to any of our amendments. I mean, we're quite happy to go through and make the motion and go through the motions, but it sure would be nice if we actually had a dancing partner on the other side who was taking this as seriously as we were.

If they are in the position where they need more time to consult, then what they should actually do is build opposition feedback into their consultation process. The last time I checked, there is a role in the Legislature to debate legislation. It's why we go through Committee of the Whole. It's why the opposition puts forward amendments and motions. Presumably we have a role in adding input into legislation. It would seem to me that if there is a problem in the government's processes and they're missing a piece that allows the opposition to have meaningful input, then maybe they need to consider the processes.

Anyway, we'll continue on. I do have a second amendment that I'd like to propose. I'm happy to circulate that.

The Chair: That will be amendment A2, hon. leader. If you'll just give us a moment to circulate that, the pages will be there shortly. Proceed, hon. leader.

Ms Smith: Thank you, Mr. Chair. Once again let me just read into the record the amendment. I move that Bill 19, Metis Settlements Amendment Act, 2013, be amended in section 13 in the proposed section 48(2)(e) by adding "in accordance with any applicable General Council Policy" after the word "employment."

I'll just read what the current section says right now under section 48(2). It goes through sort of a number of different delegated responsibilities that are now given to the settlement administrator. These are the ones that are defined in legislation. Then, of course, the way the act is currently written, the settlement will have the opportunity to provide greater direction for duties and functions if they so choose.

8:00

The current settlement administrator under these rules would have the ability to ensure that

- (a) ... bylaws ... are implemented;
- (b) to administer the affairs . . .;
- (c) to advise and inform the settlement council on the operation and affairs of the settlement;
- (d) to establish and maintain . . .

And here again the wording says:

... in accordance with any applicable General Council Policy, the systems of financial management for the settlement and the records of the settlement:

Subsection (e) is the provision on hiring employees, (f) is establishing human resource policies, and

(g) to exercise any other power and perform any other duty or function assigned to a settlement administrator by this Act or any other enactment or prescribed by the settlement council or a General Council Policy.

What I find interesting about the way this section is structured is that there are references to the administrator being bound through executive limitations by general council policy in (b), (d), and (g), and it does seem to me that it is a missing piece to not have that recognition of general council policy in (e). What the effect of this amendment would do is that it would give the delegated authority to the administrator to hire employees of the settlement and fix remuneration and terms of employment "in accordance with any applicable General Council Policy."

I think one of the things that we've probably all heard as we've been consulting with members of the Métis community – and, of course, I think we have to keep in mind the rank-and-file members, the 8,000 individuals who are going to be governed by the councils that are now going to be under this revised piece of legislation – is that there is a concern under the old system about council members being able to hire every single staff member. I think that the members of the Métis community I've heard from have expressed concern about the potential of family members getting hired on, that there aren't any parameters around what the remuneration should be.

The problem with changing this reporting structure without allowing general council to set those policies is that you could be shifting those same concerns away from the council but to the administrator. You need to be able to make sure that the general council maintains the authority and, indeed, the mandate to provide prescriptions about what the pay scale should be for each of those employees that are hired and to also prescribe policies on when family members can be hired or when family members may not be hired.

I think leaving it open like this and giving complete delegated authority to the administrator without making it clear that general council policy ought to apply in this area does seem like a missing piece. The reason why I think it is a missing piece is because we do actually make reference in three other subsections here to general council policy, so I think it could be interpreted that general council doesn't have any authority to set those kind of remuneration standards. I think they ought to have it prescribed in law that there's an expectation that they would set those remuneration standards so that we can address the very legitimate issues that are often brought forward from the perspective of those residents of the Métis settlements who are concerned about some of the oversight, some of the hiring practices. I think if we're going to correct that part by bringing through this legislation, then we need to make sure that that element also applies to the settlement administrator.

With that, I'd be happy to hear from the minister or other members about whether or not they would support the amendment, and I encourage them to do so.

The Chair: Thank you.

The hon. Member for Rimbey-Rocky Mountain House-Sundre.

Mr. Anglin: Thank you, Mr. Chair. I rise in support of this amendment, and I encourage all my fellow colleagues to support it. The amendment does nothing more than clarify the parameters of the legislation. When the settlement administrator is given the ability to hire employees, which is exactly what this is, it sets parameters to make sure that there's no mistake about this. If we accept this amendment, the settlement administrator will hire employees in accordance with any applicable general council

policy. That now sets the parameters around how employees are hired

This gives consistency to the whole act, in my view, and brings it back to the general council, the policies that it establishes and the authorities that follow from that. I understand why the minister would want to go back and consult, but I would argue that anyone that would be in favour of this legislation could easily see where this amendment clarifies the act and makes it a little bit stronger and sets out a parameter to prevent any kind of abuse. We don't want to be hiring employees not consistent with the general council policies. Here we are with an amendment that, in my view, gives a little bit of simplicity to the clarity, to the parameters on how we want to construct this piece of legislation.

With that, I would love to hear from the minister. Thank you very much.

The Chair: Thank you, hon. member.

Are there others? The Member for Edmonton-Beverly-Clareview, followed by Calgary-Mountain View.

Mr. Bilous: Thank you, Mr. Chair. I rise to speak in favour of this amendment. I think, again, that any time we can clarify a bill further to ensure, first of all, that there are systems and processes in place and to ensure that there aren't possibilities of misusing a position of authority – as my colleagues have already stated, you know, this is really just clarifying further a point in the bill. I would almost even think of this in certain ways as a friendly amendment to ensure that there is that transparency, that clarification that, again, I think just strengthens the bill.

I think that this is another example of a reasonable amendment. You know, the opposition parties go to great lengths to prepare amendments to improve legislation to ensure that many Albertans, in fact all Albertans, have a voice in this Legislature. I think it's crucial that the minister and my colleagues opposite consider carefully not only the words but the amendments that the opposition parties go to great lengths to prepare to ensure, like I said, that democracy remains strong in this province and that we're clarifying as much as possible different interpretations of how legislation can be enacted.

With that, I will encourage all my colleagues in this House to seriously consider this friendly amendment. Thank you, Mr. Chair.

The Chair: Thank you, hon. member.

The hon. Member for Calgary-Mountain View.

Dr. Swann: Well, thanks, Mr. Chair. I know that the intent of this bill in its entirety is to build a sense of clarity, security, trust, respect for the democratic process, and authenticity of the leadership of these settlements, and I think it behooves us to take every possible step to make sure that we make it easy for that to happen on settlements and make it clear and supportive and strong to legitimate the leadership and provide them with the tools they need.

There may be, in fact, other ways in which it becomes clear within the Metis Settlements Act that there are going to be these checks and balances and that there are going to be council directives and general policies around conflict of interest, family members, guidelines on salaries, that sort of thing, but this simply would reinforce a sense that if there's any question, it's very clear, black and white, as it says in this amendment, "in accordance with any applicable General Council Policy."

I would have to support this, and it may be that the minister will want to discuss this further with others. I'd be interested in his comments specifically about this because to me it strengthens his

desire and his commitment through this act to provide the best leadership, the most confidence in the community, and the strongest sense of direction that we can possibly give to make sure they are successful and that people in the community know how things work and who they're accountable to and for what.

So I will be supporting this amendment and look forward to hearing the minister's comments.

The Chair: Thank you, hon. member. Are there others? The hon. minister.

Mr. Campbell: Thank you, Mr. Chair. Just briefly, you know, this is an interesting proposal, and I am prepared to take it back to the leadership of the settlements. But I think it's important for the House to realize that this was almost a deal breaker. When we did our negotiation with the Métis general council, this was the last piece that we were able to get done. You know, for us to sit here in the House and say, "This makes sense to us, and this is the way we do business, and any Albertan should understand this" – this was a big step for the Métis general council and the settlements to come to this, to separate, first of all, between council and their businesses and to differentiate between council and the administration within the Métis settlements.

Mr. Chair, again, I'm prepared to take this back and have that discussion and see where the settlements are at, but I just want to make the House understand that this is a very big step that we've moved forward, just separating the Métis council from the day-to-day business of businesses within the Métis settlements.

Again, my hat is off to the settlement chairs for moving forward on this, and I won't be supporting this amendment at this time.

8:10

Ms Smith: Well, I just want to clarify. The two amendments I proposed are really putting more power back into the hands of the general council. I guess what I worry about with this is that it seems to me that the balance in a couple of these places puts too much power into the hands of an administrator without the mandate for oversight from the general council.

You know, we've seen all kinds of instances in the provincial government where senior executive pay has quite literally gotten out of control, and the minister is saying: "Hey, it's not my problem. Go talk to the guy who I delegated the decision to." We've already seen in provincial contracts – whether it was Alison Tonge, who signed a \$300,000-a-year contract, worked for two years, and got a \$400,000 payout; whether it was Jack Davis, who walked away with millions of dollars worth of payout; whether it's the SAIT president, who walked away with a full year, \$365,000 – that it doesn't seem like any elected official wants to take responsibility for those kinds of contracts.

I don't think that we want to replicate the same problem on Métis settlements, where you remove the elected officials from not only having oversight but also from having the requirement to be accountable to their electors for making sure that all of the administrators are paid within a pay scale that is reasonable for the settlement, that they have the mandate from those who are elected, and also have the accountability to those who are elected. So I think that the general council should be quite pleased that what we're contemplating here is that we're going to allow them to retain that executive limitation on their administrator so that they can maintain that accountability in going to their people to justify what the pay scales are and what the hiring practices are.

Thank you, Mr. Chair.

Mr. Campbell: Mr. Chair, section 48 is very clear that it gives the council the authority to set the administrator's remuneration and

terms of employment and to prescribe other duties and functions of the administration on top of those set out in the act. So the council does have full control over the administrator and the salaries that are going to be set. This isn't a case in point where the administrator is going to set his own salaries and just go hog wild and take a bunch of money and run. Also, the minister has very specific delegation duties under the act to make sure those things don't happen.

The Chair: Thank you.

Are there others? The hon. Associate Minister of Services for Persons with Disabilities.

Mr. Oberle: Thank you, Mr. Chairman. Just very briefly I want to speak in support of the minister's position here and add my support as to why this bill shouldn't be amended. The legislation we're tabling tonight and the legislation we're discussing tonight comes about as the result of a negotiated settlement between the government of Alberta and the Métis association. We're free to speak against it, I suppose, and to identify individual clauses of that bill that we don't like, and at the end of the day we can vote against it. But to amend it is not acceptable because what we're trying to do is to write legislation around an agreement that we already negotiated, to implement that agreement. To amend it is to go back to the Métis population and say: "Well, we didn't like it. This is how the bill turned out. Love it or leave it." That is not the appropriate mechanism to amend a bill.

First of all, as I said, we can speak against it, and I invite all opposition to speak against any particular clause and at the end of the day to vote against the bill in its entirety. However, it is an insult to the Métis to amend the bill and go back to them and say, "This is what the Legislature cooked up," when none of the people in this House sat around the table for as long as that minister and his staff did to be there in the negotiation. Negotiation is a package deal, and the Métis are expecting us to implement this agreement. If we're not going to, then we have to defeat the bill in its entirety on the floor of this House, not amend it, Mr. Chair.

The Chair: Thank you, hon. minister.

Are there others? The hon. Member for Lac La Biche-St. Paul-Two Hills.

Mr. Saskiw: Thank you, Mr. Chair. I'd like to speak in favour of this amendment but particularly just to deal with the comments that were just made by the hon. member. What he's implying here is that once a piece of legislation is drafted by a minister, there can be no amendments whatsoever throughout the process. That absolutely makes no sense. There's precedent, of course, that bills after second reading are put to a committee so that that committee can then go ahead and do consultation.

In my opinion, it is contrary to any parliamentary procedure, practice, logic to indicate that you cannot as an opposition or as a government member propose amendments because the minister has done a whole bunch of consultations. Well, the minister didn't consult with the Official Opposition on what this bill would be. Maybe we have some good ideas. Maybe we're going to be presenting them right here. That's democracy. I think that for the hon, member to indicate that is just completely contrary to the principles in this Legislature.

I think that if this government would listen to some of the substantive amendments or even, potentially, procedural amendments that we're putting forward in terms of the legislation, the legislation could be strengthened. It shouldn't be one of these circumstances where a minister puts forward a piece of legislation and they can just cover their ears and not listen to any type of

amendments put forward simply because they've done a significant amount of consultation. Legislation can always be strengthened through the legislative process, and to say otherwise is undermining that process.

The Chair: Thank you, hon. member.

The hon. Member for Edmonton-Beverly-Clareview.

Mr. Bilous: Thank you, Mr. Chair. I do want to address some of the comments that were just made. I know that the members on the other side of the House seem to think their legislation is perfect. However, news flash: I don't think any of them are actually perfect. They can be improved, which is part of the role of the opposition. I think that to insinuate that only the government speaks with the people and stakeholders who are going to be affected by this bill is quite insulting as I'm sure that many members on this side of the House also speak to different Métis leaders and have input to offer. For the government to assume or insinuate that they speak on behalf of and that they're the only ones in discussion with Métis settlements and leaders I think is quite offensive, to begin with.

I think as well that the government needs reminding that they don't represent every single Albertan in this province, that there are opposition members that were elected throughout the province, and that even within their own ridings there are Albertans who don't share their views. So to say that they're coming into this House with a prescripted, written, done deal piece of legislation that is perfect – and I can appreciate that the minister has worked very hard with the Métis settlements and has had many discussions with the leaders. I acknowledge that; I appreciate that. However, members of this side of the House have also had discussions with different leaders, and we do bring other perspectives to the table.

Again, you know, the last time I checked, Mr. Chair, our system of democracy, the Westminster system, was based on the multiparty system, meaning each party brings different perspectives to the Legislature and different points. We are all here in the spirit of bringing forward and improving legislation so that we can go back to all Albertans and say that this was a collaborative effort, something that we all worked on together, all sides of the House bringing forward all points of view and respecting them in a discussion and also in the legislation.

For that reason, Mr. Chair, I felt moved to address some of the issues that the associate minister brought up because I think it's very crucial to acknowledge that we all meet and consult with our constituents and bring their points of view forward in this Legislature. To insinuate that only one side needs to be represented in legislation I think is quite offensive to the many Albertans who aren't represented by the government.

Thank you, Mr. Chair.

The Chair: Thank you, hon. member.

Are there others that wish to speak to amendment A2?

Seeing none, I'll call the question.

[Motion on amendment A2 lost]

The Chair: Back to the bill. The hon. leader.

Ms Smith: Thank you, Mr. Chair. Well, I think this next amendment that I'm proposing might put the government in a bit of a pickle. Why don't I have it circulated first?

The Chair: Sure. Pages.

Ms Smith: Then I'll explain why the government might be in a little bit of difficulty in passing this bill tonight because it does seem like it may actually go against the current provisions of the legislation. I'll explain that in just a minute, after this has been circulated.

8:20

The Chair: This will be amendment A3 for the record. Hon. leader, please proceed.

Ms Smith: Thank you, Mr. Chair. What this amendment states is that I would move that Bill 19, the Metis Settlements Amendment Act, 2013, be amended by striking out section 14. Now, if you look at Bill 19, section 14, budget bylaws, under 55.1, it states, "Sections 54 and 55 do not apply to a budget bylaw."

I would direct the hon. members to go to the original text of the current Metis Settlements Act and just have a look at what section 54 and section 55 state right now. What we're saying with this amendment is that these two sections are no longer going to apply to any budget bylaws. The sections that will no longer apply to budgets are under public notice of bylaws:

54(1) Every proposed bylaw must be presented at a public meeting in the settlement area after second reading but before third reading.

Then it says:

(2) At least 14 days' public notice of the date, time and place the public meeting must be given.

But it goes on to say under approval of bylaws:

- 55(1) A quorum for public meetings called to vote on settlement bylaws is 15 settlement members who are eligible to vote on the bylaw, or any other number specified by settlement bylaw.
- (2) A settlement member is eligible to vote on a bylaw presented at a public meeting if
 - (a) the member has resided in the settlement area for the 12 months immediately preceding the date of the vote, or any lesser period prescribed in a settlement bylaw, and
 - (b) the member's residence is in the settlement area on the date of the vote.
- (3) Persons affected by an issue under discussion at a public meeting have the right to participate in the discussion of the issue but may not vote on it unless they are settlement members and eligible to vote on it.
- (4) A bylaw voted on at a public meeting is approved if a majority of the settlement members who are eligible to vote and who vote at the meeting vote in favour of the bylaw.
- (5) If the vote at the public meeting is not in favour of the proposed bylaw, the bylaw is defeated, and all previous readings are cancelled.

I just find it fascinating that the minister talks about all the consultation that he did with Métis settlement leaders, yet they have a very strong culture and history of direct democracy when major bylaw changes are happening on the settlements. So here we are in the Legislature actually taking away the rights of rank-and-file Métis settlement members to have the basics that every other individual living in a municipality has of public notice when budgets are coming through. They also have this very special right currently. They actually have the opportunity to directly vote on any bylaws that are coming forward.

Now, I don't know. To the minister: maybe I missed it. Maybe I missed the broad-based referendum of all of the 8,000 people on the Métis settlements approving this agreement. But it does seem to me that we are rewriting in a fundamental way an essential bylaw approval process for an essential piece of legislation that would come through at the Métis settlements by violating the

current provisions that are in place because we haven't actually put it to a referendum of the people in the Métis settlements.

Hopefully, the minister will be persuaded by the argument that we should actually strike section 14 from his settlement act so that we do have sections 54 and 55 applying to this type of budget bylaw in the same way that it always has and the same way that it would apply to any bylaw. I think that if this does not succeed or if he is not able to get this passed by the settlement, at the very least we have to make sure that section 55 continues to apply to budget bylaws.

That will be my next motion, which I'd be happy to speak to. But I think I'd like to hear from other members and maybe even from the minister about whether or not this was perhaps miswritten or an oversight that essentially with this legislation allows the settlement councils to pass a budget without having a public hearing or public notice and gets around the traditional processes that they had for establishing budget bylaws, which was by direct referendum, and doing so without actually consulting directly with the people through a referendum. It does seem to me that this is a fairly major change to Métis settlements and the way in which they pass their legislation.

Again, I know the minister has consulted with the leadership, but I think the reason why these provisions exist in the first place is because they recognize the grassroots decision-making that is the culture of the Métis settlement. To go through and do a negotiation without having a referendum, fundamentally rewrite the way in which the people are going to be consulted on the most important bill that their government brings forward, which is how they're spending money, it seems to me, goes a step too far.

This is why I would urge other members to support the elimination of this section 14 until such time as it can be fully consulted with the members of the Métis settlements through referendum, which is the way in which all other bylaws have to be consulted, because this is a substantial change to the way in which their budgets will be passed even at the settlement level, even with the additional powers that were given to the council.

With that in mind, I would like to hear from other members, but I would urge them to remove section 14 so that the existing rules that are outlined in the Metis Settlements Act continue to apply.

The Chair: Thank you, hon. leader.

The hon. Member for Rimbey-Rocky Mountain House-Sundre.

Mr. Anglin: Thank you, Mr. Chair. I rise in support of the motion. Specifically, I too would like to hear from the minister with regard to striking out the public notice and the opportunity for a vote on a bylaw. If I'm missing something here, I am persuadable, but I just don't understand why this would not be applicable. When I look at what this amendment does to the bill to restore these two provisions, I see value in the democratic process, and I see value in due process. Yes, I understand the minister has consulted at great length, but I also know that when we consulted, the whole idea of the democratic process was of significant high value.

I'd be curious as to why it was constructed – was this actually in the agreement that was arrived at before this bill was drafted? – and how this came to be. This is now significant. This is a process that I think any community even beyond Métis would consider extremely valuable. To have due notice and to be able to actually have an opportunity to vote to deal with these issues is significant.

To the hon, minister: I hope that there's a reasonable explanation why this amendment is not something that would be under consideration.

Thank you very much, Mr. Chair.

The Chair: Thank you.

Are there others to speak to this amendment? The hon. Member for Edmonton-Beverly-Clareview.

Mr. Bilous: Thank you, Mr. Chair. I rise to speak strongly in favour of this amendment. It think it's very unique, the system of governance that the Métis settlements have set up for themselves and their members. I find it very unique when a group of people use the form of direct democracy. I think that there is no stronger form of democracy than direct democracy, when each person has direct input on a decision before it is made and truly the voice of the people rings loud. I too look forward to hearing from the minister as to specifically why this section is in there and why this is being changed.

I think, you know, that holding a public meeting is crucial, ensuring that settlement members have the ability to vote on a bylaw when it's presented at a public meeting and that it can be defeated at a public meeting through the act of direct democracy when they're voting. I think that truly places the ultimate decision-making and power in the hands of the people that their leaders are elected to represent. It's ensuring that people are participating in that democratic process and ensuring that they have a voice. I mean this, if anything, Mr. Chair, is a fail-safe mechanism to ensure that when items are being voted on, especially relating to the budget, if the members of a community disagree with it, it can be sent out. I find it quite interesting that if the budget that the government just passed a couple of weeks ago was put to a vote for all Albertans, it might have a very different outcome and result.

I think it's important that this ability remain in the hands of the people that the Métis settlement leadership is representing. I think it's crucial that this amendment be adopted by this legislative body and that all members truly think about and reflect on how this amendment is going to ensure that each member of the Métis settlements has a voice and is involved in that decision-making process.

Thank you, Mr. Chair.

8:30

The Chair: Are there others? The hon. Member for Calgary-Mountain View.

Dr. Swann: Thank you, Mr. Chairman. I, too, will stand to at least invite the minister's response because this seems eminently sensible at a time when people are coming together. It's kind of like bringing in their first constitution. They have to have a very strong buy-in to it to believe it, to participate in it, to recognize the importance of every phrase and every decision around it. Maybe not every phrase, but they need to know that they have some ability to influence the process.

These are fairly substantive changes in their lives and in their governance. It strikes me that the very foundational activity that has to come out of this has to be one of honouring and respecting and demonstrating what democracy looks like and that the people of the communities have a very strong role to play. Unless there's something that we don't understand about the existing Métis act which the minister can inform us of, this seems like an eminently sensible way to strengthen what he's doing, to strengthen the capacity of people to address the issues that are most going to affect their lives and their ability to participate in their own democratic process, and to respect those who are in positions of power, not defer to them but to recognize that they are there as a result of the proper, due democratic process in which they still

have power to change what's happening and the decisions that are being made at that level of the representative.

I look forward to hearing the minister's comments before I vote, but on the face of it it looks like a very helpful, strengthening amendment to the bill.

The Chair: Are there others? The hon. minister.

Mr. Campbell: Mr. Chair, I'm getting up more than I want to.

I think that first of all, before we start on the budget bylaw part, people have to understand – and the Member for Rimbey-Rocky Mountain House-Sundre talked about consultation, consultation. This is not a consultation. This is a negotiated agreement between the government of Alberta and the Métis settlements. This isn't that we went out and consulted with members and we consulted with the leadership and continue to talk. This is a negotiated settlement, and the Métis general council through their settlements indicated who their negotiating team would be. I can tell you that their negotiating team was the big four that they refer to. We go through this process. This isn't just a consultation. This is sitting down and negotiating what the terms and agreements are going to be.

While I understand the member's concerns about democracy, Mr. Chairman, this is probably the most unique piece of legislation anybody in this Legislature will deal with in the coming months. This is not the norm by any means.

An Hon. Member: It may be unique, but is it the best it can be?

Mr. Campbell: Well, I think it is at the present time. I think it's the best it could be because, first of all, we were able to settle a \$6 million lawsuit. We were able to get all eight settlements to agree unanimously that this was a good deal. We were able to put funding in place over the next 10 years to provide services such as policing, housing, essential services, good governance, economic development, and health care. I would say that this is a pretty damn good piece of legislation.

Mr. Chair, I think it's important. Again, I appreciate the Official Opposition leader's amendments, and I'm prepared to discuss this with the settlement leaders, but I think it's important to note that these amendments require the councils to consult in development of the business plans. The budgets cannot do anything outside the business plan. That's a three-year business plan that has to be adopted by the settlement, has to be adopted by the Métis general council. Again, as minister I have control over those business plans if I think something is out of the ordinary.

Mr. Chairman, I think it's also important that this ensures that councils are not prevented from governing by as few as 15 members but also ensures that members are informed of the council's plans, have input into the planning process, and promote the accountability of councils.

Mr. Chair, when the opposition talks about democracy and people being involved in the process, we've taken that step. We're making sure that all council members are involved in the process. Under the former legislation 15 members could vote down the budget, and all of the affairs of the Métis community would come to a grinding halt because they would not have the okay from their settlement to do the financial business going forward.

Mr. Chair, again, this is an important step forward. Is it as far as I'd like it to go? No, it's not, but as I said, this is a negotiated settlement, and this is a big step for the Métis settlements to take. I'll not be supporting the amendment.

Thank you, Mr. Chairman.

The Chair: Thank you, hon. minister.

Are there others?

Seeing none, I'll call the question.

[Motion on amendment A3 lost]

The Chair: Back to the main bill. The hon. leader.

Ms Smith: Thank you, Mr. Chair. I do have a follow-up amendment with that one being defeated. I accept some of the arguments that the minister made. I'd be happy to talk a little bit more about that while this one is being circulated.

I do recognize that part of what is occurring in this legislation is that we are trying to move Métis settlement governance to be on par with other orders of government in Alberta. It's quite clear that we don't have a public referendum on the provincial budget. Heck, if we'd had a public referendum on this past budget, I'm pretty sure it would have failed resoundingly, so I can understand the minister's concern about the power of the people in that regard on a budget. We've got something like over 400 municipal councils in the province if you include summer villages. I don't think any of them, at least none that I know of, go to the people with a public referendum – I'm happy to be corrected by someone if I'm wrong – on the particular issue of the budget.

I can recognize that it might be a step too far to have both sections 54 and 55 not apply to the budget bylaw.

Can I now speak to this?

The Chair: Just to be clear, hon. leader, for the record you are moving this amendment, which will be referred to as A4. Please proceed.

Ms Smith: Thank you. With all of that context in mind, the amendment that I would love the minister to take to the Métis settlement leaders in his discussions with them is to move that Bill 19, the Metis Settlements Amendment Act, 2013, be amended in section 14 by striking out the proposed section 55.1 and substituting the following:

Budget Bylaws

55.1 Section 55 does not apply to a budget bylaw.

I think that would address the concerns that the minister made in his comments about the potential for the business of the settlement to come to a halt in the event that there was a referendum defeating the budget. But I have to say that I do not see why we would keep section 14 as it currently is written, that says that section 54 would not apply to the passage of a budget.

Again, just as a reminder, what this amendment would do is that it would say that there does not have to be a referendum in the instance of a budget bylaw coming forward, but there would still have to be public notice of the bylaws. Section 54, then, would still apply to the budget bylaw, and in this case it means:

- (1) Every proposed bylaw must be presented at a public meeting in the settlement area after second reading but before third reading.
- (2) At least 14 days' public notice of the date, time and place of the public meeting must be given.

I would say that it would be very unusual for a government in Alberta at any level to fail to give an annual budget the public airing and public notification. I don't think that that would be in line with anything we see at the municipal level. Certainly, it's not how the provincial government operates. To say, "Well, it's all in the three-year business plan" is, in my view, not adequate. If the government said to the people of Alberta, "We're no longer going to issue an annual budget; just go look at the three-year business

plan that we passed this year," that would certainly not pass muster in raising the bar on accountability and transparency.

This notion of having an annual budget available for the public to scrutinize and review is vitally important, especially when it comes down to the budget. We've seen with the government's most recent budget how many major policy decisions were made through the course of deciding where dollars were going to be allocated. It would be no different on a Métis settlement. You could have something in a business plan. As we see every single day and we saw through estimates, you can have a high-level principle about what your business plan is going to do and the objectives and priorities that you want to achieve and then have that be a mismatch on how dollars are actually allocated. We do see that in numerous cases in the provincial government's own estimates. This is why it's very important for the public to be able to see on an annual basis the same public notification provisions before a budget actually gets passed.

Again, I accept the minister's argument about it not being voted down by referendum. Fair enough. But I don't think that there can be any justification to why you would say that the most important bylaw that a Métis council would bring forward, that a Métis settlement would bring forward, which is the budget bylaw, because it sets the stage for virtually every other policy decision that is made throughout the year – I have no idea why you would make the decision that the most important bylaw doesn't have the public notice requirement, but everything else does.

8:40

In that spirit and, I think, again, in keeping with what the stated intention is of what the legislation is trying to do, which is to bring Métis settlements governance powers more in alignment with the kind of governance powers, oversight, and accountability that we see from municipal councils and indeed our own provincial government, it seems to me that this is a mismatch, having this section 54, about the public notification of bylaws, fail to apply to a budget bylaw. I would argue the opposite, that this is probably the most important bylaw that the public notification should apply to because it determines so many of the other decisions that the Métis settlement council is going to make.

With that, I'd be happy to hear to hear from my colleagues about whether or not they would support this amendment. Thank

The Chair: Thank you, hon. leader.

Are there others? The Member for Rimbey-Rocky Mountain House-Sundre.

Mr. Anglin: Thank you, Mr. Chair. I rise in support of this amendment. There is a trend that's been developing with this government in the repeal of notification. We witnessed this in Bill 2, and now we're here with the Metis Settlements Amendment Act. I don't understand the omission or the withdrawal or the repeal of proper notification. I don't understand that. I don't get that. I would really like someone to rise, particularly the minister on the other side, and explain why notification is not a reasonable mandate in legislation. To me, it's just basic to the democratic process, how it's handled. Beyond that, the whole basis of our democratic process is a well-informed public, so when we break this down into a smaller segment that is dealing with the Métis settlement, it still doesn't' change. We have to have proper notification, where the people are informed. From that information, then, the people can make the proper decisions that they need to make.

Whether this was an oversight, I still don't know, but I will say this. To me, it is absolutely paramount that proper notification be a mandate in any type of process so that the people involved in the process have an opportunity to learn the facts, to learn the issues, and to participate in the process. Without proper notification that ability to learn the facts and to participate in the process is diminished significantly.

With that, I will turn the floor over to any other member. [interjections] Maybe you would like to call the members to order so they could hear the other members, too.

The Chair: Thank you, hon. member.

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

Mr. Saskiw: Thank you, Mr. Chair. I'll speak very briefly to this and just reiterate some of the main points. This is a very straightforward amendment, and it would just simply require public notice when a budget bylaw is being put forward by the settlement council. We see in the other portions of the legislation that when there is a bylaw that's being put forward by a settlement, that type of public notice must be given.

This is, to me, a completely sensible, no-brainer amendment. I don't think this is something that should even be that debatable. From a settlement perspective, with the most important piece of enabling policy they put forward, which is the budget bylaw, for there to be no requirement for notice to the general members whatsoever, I simply don't, at least in my dealings with the Métis settlements in my area — and I have two of them. I think that they're very open and transparent. They would like their members to have an opportunity to see the numbers. I've talked to many, many members not just on the council but also in the community. They would like more openness and transparency.

To the minister: I'm not sure if this is simply an oversight or if it's intended to not provide that notice to the members. I'd be very interested in hearing what he has to say on this particular amendment.

The Chair: Thank you, hon. member.

Are there others? The Member for Calgary-Mountain View.

Dr. Swann: Thank you very much, Mr. Chairman. I, too, am curious about this lack of public notice on budgets. Surely, especially as a new government is forming itself and establishing credibility and building relationships with the community, recognizing that they're in that position of power because of the community, it would be incumbent on us to make very clear to both the leadership and the citizens that we have such a high regard for democracy and for accountability that we would very much insist as a government, the governing body of all of Alberta, that we have standards that include the public information for citizens regarding how their money is to be spent.

It's very fundamental, and I have to assume that it's an oversight, that it was just something that slipped through, and that in the best interests of the community and the best interests of the future stability and confidence in this community it would be restored. I await the minister's statement on this because it's a pretty fundamental oversight in a democratic system and in all other municipalities — of course, this isn't entirely consistent, and they were very clear that they don't want to be entirely operating under the same guidelines and statutes as a municipality, but everything possible to instill confidence and accountability and transparency. Surely the budget has to be the foundation of any kind of trust that's going to develop in a community and in a newly created body within the Métis settlements.

I hope the minister will take this under advisement and do a very serious review of it and consider its importance to not only the credibility of this whole act but also the credibility of this government. If it doesn't set standards, if it doesn't enforce standards, then what are we left with in this province?

Thank you, Mr. Chairman.

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

Mr. Bilous: Thank you, Mr. Chair. I rise to speak in favour of this amendment. You know, I think that not only is this amendment logical, but it really does fit as one of the cornerstones of democracy. Removing the public notification aspect, where the public must be notified, I think is a step backwards for a couple of different reasons, Mr. Chair.

Number one, I don't know how many years that public notification has been a part of the governance and democratic process for the Métis settlements, but I'm sure that that would have negative consequences in a variety of ways. I mean, if the folks that are part of the Métis settlements have been relying on this public notification for budgets to know exactly what's going on, how the dollars are going to be spent, and the priorities of their leaders, to take this away I think, first of all, would come as a surprise or a shock for many folks. If they've come to count on it, I think that you're taking away their ability to stay informed and to be aware of what's going on.

I mean, when I think about our own budget process, Mr. Chair, in Alberta we're fortunate that province-wide we have quite a bit of media that will bring to attention the budget that we're debating, the estimates, ministry by ministry. You know, forgive my ignorance. I'm not sure what kind of media is available on the eight different Métis settlements, but I think there might be less access to that information via the media.

That's a luxury that we have in this House, Mr. Chair. Many Albertans can turn on the television and at least follow along with what the government is proposing to spend in its budgets. Again, for smaller governance structures like the Métis settlements public notification may be an absolutely essential part of the process to ensure that its citizens are not only informed and engaged but have that ability to participate in the process. I think that I, too, as are my colleagues on this side of the House, am curious to hear the minister's response and rationale for this.

8:50

It seems only logical. Again, when we talk about public interest, ensuring that our citizens are informed and engaged, putting forward public notification and ensuring that everyone is well aware of what's going on, especially when it comes to budgets and spending dollars and priorities in different communities, including the Métis settlements, I think is absolutely crucial.

So I, too, would urge all members of the Assembly to critically look at this amendment and to understand and to see the logic and the reasonableness and rationale behind keeping this in place to ensure that that crucial cornerstone of democracy remains intact. Thank you, Mr. Chair.

The Chair: Thank you. The hon. minister.

Mr. Campbell: Thank you, Mr. Chair. First of all, nothing in my ministry is straightforward. Let's get that on the record. Whether it's dealing with the Métis settlements, the MNA, or our First Nations, we go in circles quite a bit, so nothing is straightforward.

This section is very straightforward. Let me say that a budget has to be passed at the settlement council meeting, so that has to be open to the public. Mr. Chair, that's no different than municipal government, and I say municipal government knowing that I'm going to get a phone call from the chair of Kikino because he makes sure that I understand that they are not a municipal government; they are a government on their own and very unique. At the municipal government level no public notice has to be given for the passing of budgets. It has to be done at a public meeting. What we're doing is following what's under the Municipal Government Act right now and asking the Métis settlements to do the same thing.

Again, Mr. Chair, I will not be supporting this amendment.

The Chair: Are there others?

Seeing none, I'll call the question on amendment A4.

[Motion on amendment A4 lost]

The Chair: Now back to the main bill. The hon. leader.

Ms Smith: Thank you, Mr. Chair. I have a two-part amendment in this next section as well. If this first one is not to the minister's liking, I've got another version that may well be. I'll let that be circulated.

The Chair: This will be amendment A5, hon. leader. Just give us a minute for the circulation. Thank you.

You may proceed, hon. leader.

Ms Smith: Thank you, Mr. Chair. I listened to the hon. Member for Calgary-Mountain View say that it may be an oversight that this public notification piece had been excised from the legislation with regard to budget bylaws, but I guess when you see two instances where the public does not appear to be inserted into the bill, you kind of wonder whether or not it is an oversight to have happened twice. So let me try to reinsert the public into this other section of the legislation.

I will read into the record the amendment. It looks like a long one, but I'll explain the two parts to it and then also explain what the subsequent amendment would be if this one does not pass. I move that Bill 19, Metis Settlements Amendment Act, 2013, be amended in section 20 by striking out the proposed section 159.1 and changing the title of it to "Standardized financial statements." Then it reads as follows:

159.1 On or before September 30 of every year, each settlement council must

- (a) prepare, in accordance with General Council Policy and International Financial Reporting Standards, standardized financial statements for the previous financial year for the settlement,
- (b) file a copy of the standardized financial statements with the Minister and the General Council, and
- (c) make the financial statements for the previous financial year for the settlement available to the public in the manner the council considers appropriate.

There are a few changes that, I would say, you'll notice if you're looking at the Metis Settlements Amendment Act on page 11 versus what we've got here.

The concern that I have is that the term "financial reports" is open to interpretation. I think most people understand that financial statements has a fairly specific meaning for what it is you're expecting to see when you see the statements of a business operation or, in this case, a council's operations. What you'll see in the language that I'm proposing here is that we move away from the language of using "financial reports" to using "financial

statements," which required the revision in point (a) and point (b) and the new point (c).

The other point that you'll see that I'm suggesting here is that by moving to the term "statements," we also have to identify the accounting standards with which we think the Métis settlements ought to comply. It's my understanding that municipalities as well as the provincial government are moving away from the generally accepted accounting principles standard to this international financial reporting standards, which is why I've put that in there in the provision under (a), to make it quite clear that we're not just talking about reports in any old format. We're talking about financial reporting standards and particular types of financial statements.

In addition to that, I think the important element as well is that it's one thing to make your statements available to the minister, but our view, especially in keeping with the grassroots, democratic consultative process that you see in Métis settlements, is that you have to make those financial statements for the previous year available to the public as well.

I hope it's just an oversight. It does seem to me that that should be a fairly standard practice, that it's not just the accountability that the council has to the minister. They have an even greater accountability to the people who vote them into office, and as a result the financial statements should be available to the public every single year. If it's not made available to the public in an easy way, I guess the alternative would be that all 8,000 members would have to call the minister's office to be able to get the financial reports. That doesn't seem like a very efficient way of approaching this.

It seems to me that this should be fairly straightforward. We see this in every other level of government. When they get to their end of year, they will issue a finalized version with updated financial statements in an appropriate format, easy to read, easy to compare to previous years. In keeping with the minister's stated intention of moving the governance structure for this order of government closer to what we see at the provincial level, closer to what we see at the municipal level, this seems to me to be just a fairly standard omission in the original drafting of the bill and a fairly reasonable series of amendments.

Just to reiterate, then, it would be adding the term "financial statements" in place of "financial reports," putting in place international financial reporting standards so that we have a standard that we're asking all settlements to rise to, and, in addition, making sure that there is some kind of public availability for the financial statements each and every year so that the members of the public, members of the Métis settlement have access to the information of the council members who are directly responsible to them.

I hope to hear from other members about whether or not they would support this, and I urge them to do so.

The Chair: Thank you, hon. leader.

The hon. Member for Edmonton-Gold Bar.

Mr. Dorward: I just wonder if the member could describe the international financial reporting standards.

Ms Smith: Okay. Well, I think I would have put generally accepted accounting principles in there, but my understanding is that the new standard that businesses are moving towards is the international financial reporting standards. This is my understanding from the Finance minister, that this is the financial reporting standard that we comply with at the provincial level. These are the standards that we ask our municipalities to apply. If

we're going to ask our municipalities and our provincial government to move towards this standard, it would seem to me that what we're trying to get is the same standard at the Métis settlements.

I think the problem with the term "report" is that it's not specific enough. It could allow for eight different settlements to create different reports in eight different ways. I think that with the fact that we do have international bodies that have reporting standards, I think we should put something in there. If the hon member wants to propose some other type of accounting standard so that every settlement has them, I guess he can do that. I think that it's fairly clear that most municipalities and other orders of government have a particular standard that they work towards in releasing their financial documents, and I think that we should be asking for the Métis settlements to meet that same standard that we're asking of other elected councils.

The Chair: Thank you, hon. leader.

Are there others? The hon. Member for Edmonton-Beverly-Clareview.

9:00

Mr. Bilous: Thank you, Mr. Chair. I rise to speak in favour of this amendment. I find it something that's very, very interesting, and I applaud the hon. Leader of the Official Opposition for how she's wordsmithed this amendment. If you look at (c), they've not only proposed making the financial statements for the previous year public, but I think what's really important here is "in the manner the council considers appropriate." I think, especially when we're looking at working with different groups, that we are culturally sensitive and that how they phrased this amendment is that it is in a manner which the council deems appropriate. So we're not imposing our standard or what we think should be disclosed to the public. It's leaving that authority with the council, who knows better than anyone else what is appropriate and relevant culturally, but ensuring that it is also made public for the purpose of their members and for others as well.

I mean, again, when we look at companies or the government, the books are public and opened up so that anyone is able to look through them and scrutinize and question. So I appreciate the hon. member's amendment and looking at having some standards and being able to have a comparison from year to year.

Mr. Chair, I'm sure the irony isn't lost on you that it seems in this House, even though this was my first budget estimates set, that new categories are invented and implemented, and money is shifted around, and it's challenging to track from year to year exactly what was spent on what. I mean, when we look at the new categories in this budget, some dollars were pulled from previous operating and capital and put into whatever the category is, which makes it extremely difficult to find out very clearly and concisely, without having to be an accountant or a financial expert, if there was an increase or a decrease from previous years. What was the money? How was it spent? That way, there can be a real, fruitful discussion as opposed to this kind of trying to find a needle in a haystack, discovering what dollars are new, what dollars were moved from which section to where.

I can appreciate that aspect of this amendment, Mr. Chair, as far as asking for a standard set of financial statements, again, that will be made public as deemed by the Métis council as far as their standards of what is appropriate, the format that they decide to share with the public and in keeping with being culturally sensitive and appropriate for the settlement leaders.

Thank you, Mr. Chair.

The Chair: Thank you.

Are there others? The hon. minister.

Mr. Campbell: Thank you, Mr. Chair. I wish that they'd read the whole act as it encompasses everything at once instead of just picking out certain pieces.

Financial reports are in addition to the already required financial statements, which must be audited and presented to the public, so this is an added part to the financial piece. We're not taking anything away at all. The financial report is new, and it means that all settlements must prepare their financial reports in the same way. What we're looking for is to ensure that there is comparable tracking in order to more effectively plan. Before we signed this agreement, the settlements coded their budget items differently. Now all eight settlements will budget and code their items the same way.

Again, Mr. Chair, this is a big move forward. I can also say to you that we have a controller on three settlements right now, one that was asked to come in and look at some issues, and two other settlements asked for the same controller to come in and help them as they move forward on their financial accountability. I would suggest that by the time we're done, the controller in question will visit all eight settlements, moving forward and making sure that these reports are done in a prudent manner.

I will not be supporting the amendment. Thank you, Mr. Chair.

The Chair: Thank you. The hon. leader.

Ms Smith: Thank you, Mr. Chair. You know, I'm happy to be corrected. I didn't see anywhere else in the legislation that financial statements were enumerated differently from the financial reports, so I hope the minister might be able to point that out for me to correct my error so I can see. I mean, he suggested that we're choosing from one area, and it's covered off in another, so if he would indulge me and let me know what section I need to be looking at, I would appreciate that.

The Chair: Thank you.

Are there others?

Seeing none, I'll call the question on amendment A5.

[Motion on amendment A5 lost]

The Chair: The hon. leader, to the bill.

Ms Smith: All right. Well, fair enough. Maybe we'll have that in a written response.

Following up, then, on the defeat of that amendment, again I would invite the minister to perhaps . . .

The Chair: Amendment A6.

Ms Smith: I'll wait until it's circulated.

The Chair: Sure. Please.

Ms Smith: But I would invite the minister to maybe make me a written statement or to get one of his staff to show me where the financial statements are indicated in the legislation because that is the reason I thought it was important to put the financial statements in. I still am a little bit confused, then, if the financial statements are covered somewhere else, about why it is that we have financial reports here. Perhaps we can have a sidebar conversation about that because I guess I'm a little bit surprised that I didn't see that in my first reading through.

In any case, I think it still doesn't eliminate the concern that I had initially expressed. If the government does not want to move towards establishing an accounting standard, and they don't want to move towards calling these statements – they want to continue calling them reports – that's fair enough, but I think that there is also still the requirement that we have the public back in this process. It's not enough for the minister to be in receipt of these documents. Really, we're creating a governance structure for the 8,000 people who live on-reserve, who are accustomed to having direct democracy and direct accountability from their council members, and I think that the financial reports are a key aspect to that.

With that in mind, the amendment that I would propose is to move that Bill 19, the Metis Settlements Act, 2013, be amended in section 20 in the proposed section 159.1 by striking out ", and" at the end of clause (a), by adding ", and" at the end of clause (b), and by adding a following clause after (b). So this would make this clause (c). It's again in the same section but this time about standardized financial reports. What section (c) then would read is: "make the financial reports for the previous financial year for the settlement available to the public in the manner the council considers appropriate."

It's again the same wording that we had before, the same intention that we had before, and I'll make the same argument that I did before, that it isn't sufficient for just the minister to be in receipt of these financial reports. We believe that the public, the voting public on the settlements, should be able to have access to these reports in a manner the council considers appropriate, but I still think that the idea that the public should be able to have easy access to the reports is what we're trying to get at in this legislation. We're trying to create an accountability structure so that we can have confidence among the people who are going to be governed by this new legislation, the 8,000 members of the settlements, that they can have confidence that they have the documents and the accountability that they need to have to be able to have confidence in their elected leaders.

I think this just adds additional protection, it adds additional information, it increases transparency, and it raises the bar on openness. These are all things that I think the government talks a lot about. I think in keeping with that spirit, that we're constantly trying to raise the bar for the provincial government, we also want to raise the bar for Métis settlements. I think this is something that would be appreciated by members of the settlement as well as something that would be appropriate in a democracy where council members are principally and foremost responsible to the citizens who elected them.

I urge other members to vote in favour of this, and I look forward to hearing the minister's response.

The Chair: Thank you, hon. leader.

The hon. Member for Rimbey-Rocky Mountain House-Sundre.

Mr. Anglin: Thank you, Mr. Chair. I rise in support of this amendment. This speaks directly to public disclosure. I don't see where the objection would be to including this in the act and basically supporting this amendment, the idea of making financial reports specifically for the previous financial year for the settlement available to the public in a manner that the council considers appropriate. That is just basic public disclosure for the benefit of all.

Looking at the intent and the context of what this amendment does, it only serves to strengthen. I cannot imagine where the objection would be in any kind of agreement, particularly when you look at the overall bill that we're dealing with. This does nothing more than make the legislation stronger. It is going back to what we talked about earlier, when we debated public notification. The whole strength in the democratic process is an informed public making informed decisions. Making the financial reports available — and we're talking about the previous year's financial reports — in a manner that the council considers appropriate strengthens that democratic process that is applicable to the Métis settlement.

With that, I will cede the floor, and I'd like to hear some opinions as to why this wouldn't be.

9:10

The Chair: Thank you, hon. member.

The hon. Member for Edmonton-Beverly-Clareview.

Mr. Bilous: Well, thank you, Mr. Chair. I'm happy to see this next amendment from the Leader of the Official Opposition because, again, this speaks to accountability and transparency. You know, I think this amendment is beneficial not only for the members of the different Métis settlements but for all Albertans, should they choose to view the financial statements just as someone from the city of Calgary could look at the city of Edmonton's books and vice versa.

I think what's important about this, again — and I think it's worth highlighting — is the terminology or the phrasing of this amendment, that the financial statements of the previous year are available to the public "in the manner council considers appropriate," which is quite significant, how the council deems they want to present their information in whatever way or fashion or method that is appropriate to them, whether we're talking about culturally or in other manners.

Again, this speaks to the responsibility that elected officials have to show to the people that they represent not only how dollars are spent. Especially when we look at budgets, I mean, that reflects priorities, and it should be available to the public. It's not that they have to ask for or request that information; it should be available no matter what, which basically takes down barriers and makes it more accessible for individuals to find that information and to be able to hold their leadership to account and to ask questions about priorities or about previous years' spending and, as well, to be able to have those comparatives year over year to see how dollars were spent.

I, too, urge all members of the Assembly to look at this amendment and to adopt it for the sake that it is reasonable, it is logical, and again it's something that ensures that it's protecting the public, the public interest. This is a responsibility of elected officials, Mr. Chair, that there is an element, as the Member for Rimbey-Rocky Mountain House-Sundre had said, of public disclosure and that the public is well informed of what the leadership is doing and the dollars that they're spending.

Thank you, Mr. Chair.

The Chair: Thank you. Are there others?

Mr. Dorward: Mr. Chair, I realize everybody on the opposite side is not an accountant, and I totally respect that. I do. But when people put forth amendments, you wouldn't think that the amendments wouldn't make any sense whatsoever. The IFRS rules: as it was explained, what the difference is in some detailed explanation, it was way out there. I've got to say that this amendment cannot be supported. I thought the Member for Rimbey-Rocky Mountain House-Sundre, who told us — I'm pretty sure it was either recently or in the fall — that he was an accountant, would

know that any annual report done by a qualified accountant does report the previous year in it already.

It's not necessary. We don't need this amendment. The prior year information is already in the current year financial statements

The Chair: Thank you, hon. member.

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

Mr. Saskiw: Thank you, Mr. Chair. I'd just like to speak in favour of this amendment. The hon. Member for Edmonton-Gold Bar likes to wax on about how he's an accountant. He's got this massive amount of experience. Has he produced audited financial statements and signed off on all of them?

Mr. Dorward: Yes.

Mr. Saskiw: Well, if you know that, this is an amendment to make sure that the audited financial statements are given to the public, that they're made publicly available.

Mr. Chair, you know, with the type of tone here — we're genuinely trying to make substantive amendments. He doesn't have to come to this Legislature and put down other members that are trying to make a positive difference in this legislation. If he's going to go there and try to make demeaning comments about how someone is not an accountant and someone is not a lawyer or whatever, he shouldn't even stand up.

Thank you, Mr. Chair.

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

Mr. Anglin: Thank you, Mr. Chair. The reality is that the hon. Member for Edmonton-Gold Bar doesn't listen, so he wouldn't understand. The comment I made is on the record. I never once said in this Assembly that I was an accountant. I made that absolutely clear. You apparently missed it, so I'll explain it again. When I went through university, I majored in accounting, but I never once said I was an accountant. I don't want to be an accountant. I decided at that time it was ridiculous to be an accountant. So let's make that very clear. I decided to be an engineer instead. I want to make that . . . [interjections] Well, the allegation was at me, so I want to make it absolutely clear.

Now, in saying that - and I want to make it clear - I did study for my certified financial analyst, which is a three-year program, and I learned quite a bit more than I learned in university, but that's another matter for another day.

The basis is simply this. I understand financial accounting, and I understand reporting. This is not about debits and credits; this is about reporting, financial reports. That's all it's about. That's all this is about, disclosure, and you don't have to be an accountant to figure out that disclosure is something that absolutely is paramount in making an organization work. If you don't have disclosure, you have all sorts of propensities to falsify and to disrupt and to corrupt.

The whole purpose of disclosure is to make sure that there is seamless knowledge that is disseminated. If you're in a private institution, that, of course, is among stockholders. In this case this is about the democratic process. It's not about financial disclosure in terms of what the budget is in front of you. This is about the past reports. I'd like to hear the Member for Edmonton-Gold Bar actually justify why past reports should not be disclosed in the public interest. Of course, then again, we might want to hear why the public interest is being removed bit by bit from pieces of legislation.

But in dealing with this amendment here with the Métis settlements, the issue is about public disclosure of the previous financial year. I know this: from any accounting rules, whether you're dealing with the issue of our current budget or whether you're dealing with financial accounting, cost accounting, having access to previous reports is fundamental in any kind of analysis.

I will say this: I never pretended to be an accountant as some may have in this room, but I know some that are not chartered accountants. That to me is a proper accountant, so I would make that very clear. That does not negate the issue of understanding what accounting is. That is not germane to someone who portrays themselves to be an accountant; that is something that is learned and exercised and expressed through a number of different professions.

I would leave it at that, and if the member would like to engage me more, I am happy to.

The Chair: I hope the member might want to engage the chair, hon member

I'll recognize the minister.

Mr. Campbell: Thank you, Mr. Chair. I didn't want to bring out the big book, but the Member for Calgary-Shaw said, "Where's the big book?" so here it is.

Mr. Chair, I want to turn to part 1 of the Metis Settlements Act, division 1, section 5(1), annual meetings. This will clarify the Member for Rimbey-Rocky Mountain House-Sundre's question.

- 5(1) Within 180 days after the end of each financial year a settlement council must call an annual meeting of the residents of the settlement area by giving public notice of the meeting.
- (2) The purpose of the meeting is
 - (a) to discuss past and future activities of the settlement council,
 - (b) to present the audited financial statements for the immediately preceding financial year, and
 - (c) to discuss any matters raised by those present at the meeting.

Mr. Chair, also, just for clarification and to the opposition leader's comments, the standardized financial reporting is for the general council and the minister. The audited financial statements are made public at the annual general meetings, which I just talked about, to all Métis settlement members who are at that meeting.

Thank you, Mr. Chair.

9:20

Ms Smith: I appreciate that clarification. I had obviously overlooked that.

But I have to admit to then needing a definition of what financial reports are. If the financial reports are not the same as the financial statements, then perhaps the minister needs to add a definition to the legislation about what exactly he is referring to when he's talking about financial reports. I think you can understand that when reading through this, you would expect standardized financial reports to be financial statements. If they're not financial statements and are something else, I think that's kind of important for us to understand, to know whether or not there actually does need to be this additional requirement of them being reported to the public.

I recognize that there is another section where they talk about audited financial statements, but I still am left puzzling about what this financial report might be referring to and, again, why it would be that this would not be something that would be required to be shared with the public as my amendment suggests.

The Chair: Are there others?

Mr. Saskiw: Well, the question is what the difference between financial reports and financial statements is. Since we have the expert here, the accountant, a CMA, not a chartered accountant, if you know the difference between what a financial statement is and a financial report – I would hope, Mr. Chair, that the hon. member would since he's so well versed in these types of materials. I mean, clearly, he would know that. It would just devastate all of us if he didn't. He's been standing up here day after day talking about his accounting credentials. Clearly, he can answer the question, if the minister can't, as to the difference between a financial statement and a financial report and what the definition of a financial report is.

The Chair: Thank you.

I'll recognize the hon. minister.

Mr. Campbell: Thank you, Mr. Chair. I mean, the Member for Edmonton-Gold Bar wasn't at the negotiations, so for him to talk about the difference is unfair.

For the required financial reporting, Mr. Chair, as I said, that's reporting to general council and to the minister, and that's to report on the expenditures and revenues on an annual basis. That is different than the audited financial statements that the settlement councils will do for each settlement council and report to their members. The general council needs to know on an aggregate basis what monies are being expended. Again, as we go out over the next 10 years and look at the \$85 million that we're going to spend on a number of different essential services – education, et cetera – for the Métis settlements, we need to have an idea of where we're at on that.

That's the difference between the two. One is to the council and to me; the other is the financial statement that will be the audited financial statement by a certified firm that goes to the Métis settlement at their annual general meeting.

The Chair: Thank you, hon. minister.

Mr. Saskiw: Well, I guess the question is that if there's a financial report that's out there, then why would it just simply go to the minister and not to the general members of the Métis settlement?

The Chair: Thank you, hon. member. Hon. minister, if you care to respond.

Mr. Campbell: I've explained it enough. Thank you.

The Chair: Are there others?

Seeing none, I'll call the question on amendment A6.

[Motion on amendment A6 lost]

The Chair: The hon, leader.

Ms Smith: Thank you, Mr. Chair. I have one last amendment, and I live in hope that the minister may actually agree to pass this one. The reason I live in hope is because in the summary of amendments to the Metis Settlements Act it actually is one of the items that is already listed there as what the Metis Settlements Amendment Act, 2013, will do. It looks to me like he's already gotten preapproval in his negotiations with Métis settlement leaders to actually do this. The problem is that in my read of the legislation – and once again I'm quite happy to be corrected if I have missed something. We're sort of scouring through a number of pages here. There are 150 or so pages in the original act, and then in addition to that, there are about another 20 pages in the

amendment act. So it is possible that I did end up missing this piece.

But I will go through and read the amendment if everybody has a copy of it.

The Chair: Just another half a minute, hon. leader.

Ms Smith: Sure.

Again, a lot of the amendments that we put forward were to make sure that in transferring this power to the administrative officer, the settlement administrator, the general council did not give up any provisions to be able to put executive limitations around that administrator.

First of all, I'll read into the record the summary of the amendments that the minister was kind enough to give to me. In section 2 under roles and responsibilities he said that the

MSA will establish the Administrator as the administrative head of the Settlement and outline the powers, duties and functions of the Administrator, including . . .

And this is point 4.

... comply with the MSA and General Council policies, including the Code of Conduct.

Now, I think it's very important that the administrator also be included under a code of conduct. In fact, I think the minister has done a really good job of establishing in one of these sections – just give me a moment to find it. He did a really good job of going through in quite a bit of detail what the conflict-of-interest provisions would be for a council member. I'm just going to go through and find this here. It's sort of escaping my attention.

Let me read it into the record. The difficulty that we have is the way in which the section was enumerated. Here it is. Sorry. Section 27 of the Metis Settlements Amendment Act is amending section 222, where it talks about in subsection (1) adding the following after clause (bb), and it goes through

- (bb.1) establishing a code of conduct to govern the conduct of councillors, that includes, without limitation, rules
 - (i) respecting conflicts of interest, including . . .
 - (A) defining conflict of interest,
 - (B) requiring a councillor to disclose the names of ... family members ... employers ... corporations in which the councillor is a shareholder, officer or director, the names of each partnership of which the councillor is a member, and the names of other entities in which the councillor has a financial interest,
 - (C) respecting what constitutes a conflict of interest and what does not constitute a conflict of interest,
 - (D) respecting the disclosure of conflicts of interest, and
 - (E) respecting how conflicts of interest are to be dealt with
 - (ii) governing whether a councillor may have a business or financial arrangement with the settlement council...
 - (iii) respecting the obligation of councillors to keep [confidential] matters...
- (bb.2) establishing a Councillor Remuneration and Benefits Committee . . .

and so on and so forth.

The areas where he goes through and discusses conflict of interest as it respects councillors are very good. The problem is that now with all of this power transferred over to the administrator, the same code of conduct has to apply to the administrator. We have to make sure that when an administrator has now been delegated the authority to make these decisions,

especially over hiring, over business contracts, we also have a clear definition of what constitutes a conflict of interest and we also have the administrator disclosing any potential family members, employers, or corporations of which they may be a part, respecting what constitutes a conflict of interest, respecting the disclosure of conflict of interest, respecting how conflicts of interest are to be dealt with, and so on and so forth.

I think that in my read of what the minister indicated the legislation was going to do, which is to ensure that the administrator on being given these new powers would also have to abide by a code of conduct, I was kind of expecting to see more clarity in the legislation about how that would apply to the administrator. It does appear on my reading that it is not in the legislation, so we worked with Parliamentary Counsel to try to fill this gap. We can't really fill it in that section because that section deals specifically with the provisions that govern the conduct of council members.

What was suggested by Parliamentary Counsel was that we do an amendment instead to the proposed section 48. Section 48, as we've discussed in a couple of places before when we were trying to make some amendments to it, is the place in which the settlement administrator has the limitations and legislation placed on them. So it is in this section. We've got subsections (1), (2), and (3). What we're proposing is that we add two sections afterwards that would fill this gap and live up to the commitment that the minister negotiated with the settlement councils about ensuring that the code of conduct also applies to the settlement administrator

In doing so, I would move that Bill 19, the Metis Settlements Amendment Act, 2013, be amended in section 13, in the proposed section 48 by adding the following after subsection (3): "The Minister must, after consulting with the General Council, make at least one regulation establishing rules concerning conflicts of interest for settlement administrators."

That was the wording that was suggested by Parliamentary Counsel. Presumably that means that there could be additional legislation that is put around the conflict-of-interest provisions by the general council, but we do need to have at least one regulation establishing conflict-of-interest requirements since that is something that the minister appears to have committed to in his negotiations with the settlement council members.

9:30

Then, of course:

(5) If a regulation under subsection (4) relies upon rules concerning conflicts of interest in other enactments, it must state the enactments that apply.

Again, this is language that was proposed by Parliamentary Counsel. Admittedly, it's not all that elegant. There might be a better way for the minister to be able to ensure that in legislation a code of conduct does indeed apply to the administrative head of the settlement. I think that's what the expectation was of those who were reading through what the act was intended to do. I think this does appear to be a piece that might be missing in the legislation.

I would urge others to support this so that we can make sure that in handing over these additional new powers to the administration, we don't end up inadvertently creating a hole so that the general council does not have all of the tools of oversight that they need to and all of the requirements in a code of conduct that should be applying to this very important and key member of the council staff. It really is one of those – I think it's just filling the gap. Now that we're moving to a different type of model, where there is going to be a single administrative head, the requirements on that

administrative head include a very clear code of conduct. I think it's missing in the legislation, and I urge all members to support it.

The Chair: Thank you, hon. leader. Are there other speakers?

Dr. Swann: I'll just add a few words briefly, Mr. Chair. I like the general tone of these amendments. They're friendly amendments. They're strengthening amendments to the whole tone of the legislation. They don't have to be seen as onerous. They don't have to be seen as infringing on an agreement that's been made with the Métis nations. They can be seen as strengthening the capacity to hold each other accountable, and if there are arguments, then it's right there.

If there are no clear black-and-white statements about conflict of interest, for example, that apply to administrators, it's just that much more difficult for people in the administration and in the councils to deal with. If there is an addition of clarity and strengthening of the whole process, to me it's something that we should be embracing, and I'm sure the First Nations would see the merit of it, to add to that already good legislation and bring about a stronger sense of consistency that people may be used to in other circumstances and suddenly see a big gap within their existing legislation.

I guess it's a question, Mr. Chair, of trying to get this right the first time rather than having to go back again and again and again and say, "Oh, let's add this" or "Let's not add this." Then we have fights and debates within the settlements themselves, which we could pre-empt by having it standard with and consistent with other jurisdictions across Alberta.

It is the role of this government to set a standard. It is the role of this government to say: this is what you should aspire to. Obviously, nobody expects to achieve it a hundred per cent of the time. But if they know what the benchmark is, if they know what the standard is, then we can all aspire to that. We can hold each other accountable for that, and we can help build the capacity to actually reach it more consistently than not.

That's all I see, Mr. Chair. I see some opportunity to strengthen the legislation, and I will be supporting it.

The Chair: Thank you, hon. member. Are there others?

Mr. Campbell: Well, Mr. Chair, I'd just like to say that when you look at section 48, which gives the council the authority to set the administrator's remuneration and terms of employment, it also prescribes other duties and functions of the administrator on top of these set out in the act. The council has the ability right now to set the code of conduct and any conflict-of-interest guidelines that they want to put in place for the administrator under section 48.

The Chair: Are there others? Seeing none, I'll call the question.

[Motion on amendment A7 lost]

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

Mr. Bilous: Thank you, Mr. Chair. I have the appropriate number of copies of an amendment I would like to make.

The Chair: The proposed amendment A8 will be the next amendment recognized. Hon. member, if you could just give us a few minutes to circulate that.

Proceed, hon. member.

Mr. Bilous: Thank you, Mr. Chair. I'll begin by reading the amendment into *Hansard* here. I move that Bill 19, the Metis Settlements Amendment Act, 2013, be amended by striking out section 21 and substituting the following after section 175.3.

Immunity and confidentiality continue

175.4(1) For greater certainty, a person who is a former Metis Settlements Ombudsman, investigator or other member of the staff in the Metis Settlements Ombudsman office is not personally liable for anything done or omitted to be done in good faith in the performance or purported performance of a function, power or duty under this Act as a Metis Settlements Ombudsman, investigator or other member of the staff in the Metis Settlements Ombudsman office.

(2) For greater certainty, a person who is a former Metis Settlements Ombudsman, investigator or other member of the staff in the Metis Settlements Ombudsman office shall continue to treat all information that came into the person's possession in the course of performing functions, powers or duties under this Act as a Metis Settlements Ombudsman, investigator or other member of the staff in the Metis Settlements Ombudsman office as private and confidential and shall not release that information except as permitted or required under any law in force in

Mr. Chair, the reason that I'm moving this – and I have the support of my whole NDP caucus – is that this amendment will retain the ministerial authority to establish an office of the Métis settlements ombudsman.

Mr. Chair, the bill currently seeks to repeal sections 175.1 to 175.3. This amendment will remove this repeal although it does retain the government's proposed section, 175.4, specifically subsection (1) pertaining to immunity and subsection (2) pertaining to confidentiality with respect to the former ombudsman and all staff of the now eliminated office.

I have much to say in support of this amendment because this is a complex matter, and the government's actions are currently deeply troubling to me and to many Métis settlement members. The reason, Mr. Chair, is that there is a troubling irony that in this bill, that purportedly increases the transparency and accountability of Métis settlement governance for the benefit of all residents, the provision that allows the minister to establish a Métis settlements ombudsman is removed.

To be clear here, Mr. Chair, the MSO has already been eliminated, so funding for the ombudsman was completely eliminated in Budget 2013. The office closed its doors on April 4 of 2013. Members of all three opposition parties have raised concerns in this House and outside of the House with respect to the elimination of this office. However, it has so far failed to receive not only a great deal of attention but to get a significant amount of attention from members on the other side of the House. Tonight it's imperative that the minister finally explain why the elimination of the Métis settlements ombudsman was necessary, and unless he can do so in a convincing manner, I urge all members of the House to support this amendment.

I'd like to begin, Mr. Chair, by speaking briefly to the importance of the MSO and the problems associated with the way the government has handled this office. Firstly, the hon. Member for Rimbey-Rocky Mountain House-Sundre raised a very important question during debate on April 24. He asked, as has been asked before – and I believe my colleague from Calgary-Mountain View asked a similar question in the past – "How does the appeal tribunal differ from or enhance what the ombudsman was or is today?" To date the minister has not provided an adequate response to that question.

According to the Metis Settlements General Council there is a very clear distinction between the functions and responsibilities of the appeal tribunal and the formal office of the Métis settlements ombudsman. The Métis Settlements Appeal Tribunal is a quasijudicial body that resolves disputes related to land and settlement membership. It has the authority to amend right of entry orders and works through adjudication and mediation to settle compensation disputes for oil and gas activities that occur on settlement lands. The appeal tribunal is also able to resolve other matters outlined in the local bylaws and policies of the general council.

9:40

In contrast, the Métis settlements ombudsman was supposed to be an independent and impartial office where settlement members could take any complaints concerning the management or leadership of the settlements. The ombudsman would work informally with parties involved to try to resolve their concern, collect evidence, and launch formal investigations and reviews. In short, the appeal tribunal resolves disputes pertaining to land and membership while the ombudsman served a singularly unique function pertaining to governance and accountability by providing all residents with a dedicated service and process to investigate complaints related to settlement management.

The issues addressed by the office of the Métis settlements ombudsman included alleged conflicts of interests, including furthering private interests, nepotism, acceptance of gifts, confidentiality concerns, and outside employment; misuse of funds; professional misconduct; as well as concerns related to housing, employment, policies, and procedures. Included amongst the many issues addressed by the ombudsman were misspending on unauthorized trips for council members, unauthorized lending errors, unauthorized bonus payments, unauthorized expense claims, unauthorized severance, suspicious investments, kickbacks, job openings not posted properly, fraudulent complaints, and a lack of control over spending. In short, the appeal tribunal and the ombudsman were two different entities with two very different functions and responsibilities.

Secondly, members of this House should be aware of the evidence that this office not only served a unique function but also served a critical function, as demonstrated by the volume of complaints it received every year from residents of the settlements. According to the 2011-12 annual report of the ombudsman, Mr. Chair, there were 137 complaints made by settlement members in 2010-11. That number rose to 175 complaints in 2011-12, which is an increase of 30 per cent. In addition, investigations arising from the ombudsman's own initiative increased 270 per cent in the same one-year time period, from 11 in 2010-11 to 30 in 2011-12.

The evidence suggests three clear things, Mr. Chair. One, there's a clear need for the office of the ombudsman, as demonstrated by the number of complaints received from residents. Two, there is demonstrated knowledge amongst residents of the function and process made available through the office of the MSO. Three, the individual who served as ombudsman most recently was clearly active and proactive in his role. He resolved a total of 235 complaints in 2011-12 and, as mentioned, significantly increased the number of self-initiated investigations. Within that year he offered referrals, he conducted reviews, he conducted formal investigations, and ultimately submitted 61 formal reports to the minister. That is no small number. In short, on average the minister was receiving a formal report from the Métis settlements ombudsman every four business days.

Thirdly, the individual who served as ombudsman was not afraid to speak out about the support or lack thereof he received

from this PC government and from the minister. In his 2011-12 annual report the ombudsman wrote that

the migration of the Office of the Métis Settlements Ombudsman from a contracted organization to the Government of Alberta... had the effect of undermining primary key components of an Ombudsman's role — independence, impartiality, and confidentiality... In effect, this change has created a schizophrenic organizational structure whereby staff report to and are responsible to the Ministry's administration but are required to comply with the operational directives from me as the MSO.

As to impartiality, Mr. Chairman, he wrote:

Legal advice and opinions are now provided to the Office of the Métis Settlements Ombudsman by Alberta Justice - the same people who in fact provide legal advice to the Minister and to the Ministry. In my opinion, this situation is not only a conflict of interest but this closely-related relationship was clearly not envisioned . . . In addition, any properly established 'classical Ombudsmen' and the vast majority of departmentally appointed Ombudsmen have their own legal counsel. It is unfortunate that I have been singularly unsuccessful in convincing government authorities of this need. To be effective, this office needs to be independent, impartial, and transparent. I will continue to press for the degree of separation necessary for this office to operate properly. To me, a major problem is the structure and reporting relationship. On a similar theme, the Office is at minimum, one staff member (Advisor) short to complete the Reviews and Investigations relating to the complaints we receive in a timely

This is located on page 4 of his report.

I've also spoken with residents of the Métis settlements who have told me the exact same thing. They say that the MSO didn't ever quite work as it could have because this PC government never gave it the support that it needed. Clearly, the government has made it impossible for the ombudsman to do his job properly.

Now, within a year of making his complaints public in his annual report, his office has been eliminated. Frankly, it looks like a tactic to get rid of a civil servant who was criticizing the government. Maybe it is; maybe it isn't. But there is an appearance of muzzling going on here. Up to now I've spoken both about the unique and critical functions of the office as well as the individual performance of the most recent ombudsman. There are two separate issues, of course, and I've spoken to both of them, not because they're difficult to dissociate but because there is no public evidence on either matter that would lead a rational person, let alone a member, to believe that there are solid public policy reasons to support the elimination of this necessary office.

But distinguishing between the office and the individual performing the duties of the office is of critical importance. However, to this point the only comment the minister has provided regarding the elimination of this office was at estimates debate in response to a question I raised. I'll quote from *Hansard*, Mr. Chair. He said:

Well, first of all, understand that this was the ombudsman's second kick at the cat... I met with the ombudsman three times: when I was first made minister, when I golfed with him at a Métis tribunal golf tournament, and when he came to talk to me about the fact that he might be leaving. So for the ombudsman to say that there was any interference or that he didn't have independence in his office is not true at all.

Those are the words of the minister. The problem here is that the minister is saying that the individual who served as ombudsman had two terms, and things weren't working out, so this minister decided to eliminate the entire office. That seems problematic to me.

Moving away from the individual, I want to turn specifically to section 21 of this bill, which is the final nail in the coffin for the office of the Métis settlements ombudsman. Section 21 of this bill formally removes the minister's ability to make regulations establishing an office of the Métis settlements ombudsman. In its place a new section, 175.4, has been added, requiring the former ombudsman and all former staff to maintain confidentiality of all information gained through the exercise of their authority in the office of the MSO.

The question that now arises is quite important. For settlement members who need to raise complaints regarding management and governance on settlements, including conflicts of interest and all other issues that the ombudsman would have investigated, what is the process that they can follow to have their concerns addressed? Indeed, is there a process in place to address these complaints? The answer appears to be no, and I hope that the minister will enlighten the Chamber.

The appeals tribunal deals with distinctly different disputes. The provincial Ombudsman of Alberta does not investigate matters involving other levels of governance, including federal, municipal, and settlements governance. The only advice given on the old website of the Métis settlements ombudsman is to contact the policy co-ordinator of the Métis relations with the government of Alberta, which is hardly a permanent solution.

Moreover, Mr. Chair, according to the Metis Settlements General Council the need for an ombudsman has not disappeared. They have told us that something similar is needed. It needs to be quasi-judicial and ombudsmanlike, to use their words specifically. The general council also says that consultations are ongoing with the minister regarding what kind of quasi-judicial and ombudsmanlike body should replace the office of the Métis settlements ombudsman. This is the problem. We can debate how well the current system was working. The government can try to discredit the last ombudsman because he was critical of them, but we should not debate the purpose, the function, and the importance of having a dedicated process and office for dealing with complaints related to settlement management and governance. We certainly should not eliminate that office before a new process or another process has been established.

As far as anyone can tell, the government has handled this situation backwards. They've handled it in a reverse order, Mr. Chair. They've eliminated the ombudsman's office without having completed consultations and without having a replacement ready. We have to question when and even if a replacement is going to be created.

9:50

In short, the result of what the government has done is twofold. For those members who haven't been listening as intently as they should, I'll summarize. One, the minister is asking MLAs to accept the removal of the office of the MSO from the Metis Settlements Act without knowing what its replacement is going to look like or whether there will even be a replacement. Two, settlement residents who have legitimate concerns about the governance on their settlements no longer have an established process and dedicated staff to address their concerns. Instead, they are directed to a staff member of the department. So the government has replaced an established process with a shadowy interim process that nobody can publicly scrutinize.

To conclude, this amendment is a small step to say that as lawmakers we cannot remove a process for handling complaints about governance without ensuring that a proper new process is in place. This is also an opportunity for the minister to finally explain his troubling decision, and apparently a step in the wrong direction and even a backward step, Mr. Chair, to eliminate the Métis settlements ombudsman. Clearly, as I've outlined this evening, his function and role was very specific and very unique, and by removing that office without having an office or a new system or process in place, I would argue that it's dismantling the democratic ability of the folks who live on Métis settlements to have a channel, a process, an opportunity to take their complaints.

Clearly, as I've identified in the statistics, the ombudsman was extremely efficient at doing his job and ensuring that the folks who live on the Métis settlements have an outlet, a vehicle that is independent, to address their concerns.

Mr. Chair, I strongly encourage all members to think about this amendment. I'm very curious to hear what other members of the Assembly have to say about this amendment, if they feel as passionately about having and restoring the office of the ombudsman, this independent office, that clearly was very effective in his job in addressing concerns of the people who live in the Métis settlements.

I also look forward to hearing from the minister to finally get an answer as to why this office has been eliminated altogether.

Thank you.

The Chair: Thank you, hon. member.

Are there speakers? The hon. minister on the amendment.

Mr. Campbell: Thank you, Mr. Chair. I wasn't going to get up to speak to this – I was just going to vote it down – but I think we have to get the facts right.

First of all, I think it's important that the last ombudsman was on his second term of duty. He was the ombudsman, he left, and he came back again. So to suggest at any time that the government was not happy with the job that this individual did is just not true. If that was the case, he'd never have got hired a second time. The fact of the matter is that he was a competent individual, and we hired him again.

I think it's important that we talk about the independence and what – Mr. Chair, I really don't feel comfortable standing up in the Legislature and talking about somebody who hasn't got the ability to defend themselves. So, you know, I do this with great reluctance. But I think it's important that when the ombudsman left the first time, he asked that all of his staff at the time, who were independent and outside of government, be put into government so that they could retain their jobs and have a chance to move around the public sector if something happened, that there were layoffs or whatever. That ombudsman asked the government to put his people into the public sector and into government positions. The government did that. So for him to come back the second time around and say that, you know, it's not independent, that we don't respect his independence, is not true.

As I said in *Hansard*, that the hon. member quoted – I did say that – I met with the ombudsman three times. When I first joined the ministry, he came over to say hi to me. We had a nice chat for about an hour. I had the privilege of golfing with him and the former ombudsman before him at the Métis general council golf tournament and talking about the ombudsman's office. Then he came to see me about a number of investigations that were ongoing and that he had not completed and asked me to make some decisions. Again, Mr. Chair, I wasn't comfortable with that because I would have thought that he would have completed those investigations and moved forward on some of them, but he didn't.

The other thing that was disconcerting to me, Mr. Chair, was that when he tabled his final report, he mailed it to all members of the Legislature before the minister got to see that report, and I find that not proper. That report is to come to the minister, and the

minister tables that report in the Legislature. That did not happen, and that concerns me.

Mr. Anderson: Is he an officer of the Legislature?

Mr. Campbell: No, he's not an officer of the Legislature. He's an officer from Aboriginal Relations.

The Chair: Through the chair, hon. members.

Mr. Campbell: So, Mr. Chair, I had a problem with that.

Let me talk about some of the stats. Mr. Chair, 10 to 30 per cent, depending on the year, were not jurisdictional complaints, and over 50 per cent of the jurisdictional complaints never went to investigation. Many of the 50 per cent mentioned did not even see a complainant make a formal complaint, or they withdrew their complaint. That trend in complaints has dropped by approximately 30 complaints every year since 2003.

We did not contemplate at all doing away with the ombudsman's office until we knew that the current ombudsman had decided that he was going to retire early. He came to me before his term expired and said: I'm leaving early. It was at that point in time that I sat down with officials from my department and had the discussion about whether or not we still needed the ombudsman's office.

Mr. Chair, right now within the Métis general council and the Metis Settlements Act we have the Métis appeals tribunal, which is a quasi-judicial body. It's our thought within the ministry that we can bring that work to that quasi-judicial body and that they can fulfill the role of the ombudsman. At the present time anybody that has a complaint can phone our office, and we'll investigate those complaints through our Métis relations department. We also have the ability if we think anything is serious to ask an investigator to go out and do the investigation and report back to the minister and then follow up on that complaint. If it's real serious, we always have the ability to call in the RCMP to look at that. We have the ability to look after complaints that are happening right now within the Métis settlements.

Mr. Chair, I can say to you that I've had two letters from Métis settlement members about not retaining the ombudsman. Two. So for the hon. member to come out and say that all kinds of Métis settlement members are out raising arms about this, that all of a sudden they don't have someplace to go, is just not true. I can say to you that our department has a very good working relationship with members of the Métis settlements. I've visited all eight Métis settlements. I've talked to the community members, I've talked to the councils, and I know what's going on out there. Are there some people that aren't happy? Sure there are. There always are in every circumstance, but we have the ability to deal with those complaints.

Mr. Chair, again, unfortunately, you know, Budget '13 happened, and we had to make some tough decisions. It was our thought that with the Métis appeals tribunal in place and the fact that it is a quasi-judicial board and the fact that it was dealing with a number of matters within the Métis settlements already, it was a natural fit, that we could take the ombudsman's job and put it into that tribunal. These are people, a number of them, that actually live on the Métis settlements. They're people that have been appointed from the public at large. They're very qualified in dealing with the Métis settlement issues. So we made that decision

I would strongly suggest to all of my colleagues to vote down this amendment. This makes no sense at all. Like I said, for my hon. colleague across the way to get up and wax eloquent about democracy and how people aren't going to be looked after, Mr. Chair, is just not true. This department and the people within my department take their roles and responsibilities very, very seriously, and we will do all within our power to make sure that if anybody within the Métis settlements has complaints, those complaints will be heard and will be dealt with in a timely fashion.

Thank you, Mr. Chair.

The Chair: Thank you, hon. minister.
The hon. Leader of the Official Opposition.

Ms Smith: Thank you, Mr. Chair. I appreciate the comments of both the Member for Edmonton-Beverly-Clareview as well as the minister. I'm still open to being convinced of the importance of passing this amendment. I did speak with the minister about the different processes that would be available to those who raised concerns about issues that are happening on Métis settlements. One of the arguments that he had indicated to me before – I don't think he made it in his speech right now – is that Métis people still have access to the Alberta Ombudsman, just like any Alberta resident would.

Part of the reason we did not bring forward an amendment on this is that it did strike me that we don't have a municipal ombudsman overseeing any issues that take place at the municipal level. We recognize, again, in trying to keep some level of parity with the way in which we govern our municipal councils, that we want to try to get the same governance structure for our Métis settlements.

10:00

I was persuaded by the argument of the minister that the Alberta Ombudsman is also one of the avenues to be able to have Métis indicate that they've got issues on the settlement. Perhaps the minister can respond to that. In dealing with only the issue of the tribunal – again, that was another argument that the minister had put forward – it strikes me that going through a tribunal process is likely somewhat more cumbersome than being able to make a complaint to an ombudsman. Perhaps the minister would be able to clarify how easy it would be to go through that tribunal process versus going through the ombudsman.

I guess, finally, the other concern that I have in just eliminating this section and restoring the ombudsman is that now the budget has passed, and there's no budget for it. The \$700,000 has been eliminated. I'm just wondering. From a structural point of view, if you re-establish an ombudsman and you don't give it any money, have you actually established an ombudsman? I just wonder if perhaps what needs to happen at this stage, now that the budget has eliminated the ombudsman, is that we really need to monitor the situation over the next year and see whether or not there is actually a hole.

I wonder if the minister might answer those points but then also just commit to sharing with us in this Legislature in keeping track of how many calls do come in to his office, if that is one of the legitimate avenues by which he is anticipating that he would be able to receive some of these complaints, so that we can get some gauge of whether or not there is some need to be able to restore this process or create some suboffice or specialty underneath the ombudsman or whether or not we are indeed seeing any increase in cases heard before the appeals tribunal.

I am open to giving this a try for the next year, but I wouldn't mind if the minister would give us some undertaking about how he would anticipate judging the level of success in eliminating this office and some of the other issues that I'd raised.

The Chair: Thank you. The hon, minister.

Mr. Campbell: Well, thank you, Mr. Chair, and I thank the Leader of the Official Opposition for those comments. We will monitor what happens over the next year because, again, our role within the ministry is to make sure that we do a proper job of looking after all aboriginal people in this province, and the Métis settlements are a very key component to our success. We will be monitoring and tracking that.

As far as the tribunal process, again, while I say that it's quasi-judicial, it's also very informal. A number of the issues that the tribunal deals with right now are land issues. You'll have two members quarreling over who has land and who doesn't within the settlement. I mean, they're serious matters – don't get me wrong – but again it's very casual, and they do a very good job of administering that. I just see it as a very natural fit for the tribunal to take on the added responsibilities. Again, if the tribunal was to come to the minister and say, "Listen, we have a very serious situation; it's outside our scope," we can always put an investigator on that. Again, if it's a matter of fraud or that nature, we can always call in the RCMP. We have those mechanisms in place. But we will be tracking over the next year to see the number of calls that do come in and whether or not we have to make adjustments.

Again, we'll do that through sitting down with the Métis settlement councils and chairs and having their feedback and understanding where they're at in all this also. As we move through the LTA, it will be a work-in-progress.

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

Mr. Bilous: Thank you very much, Mr. Chair. I'd like to clarify a few things. First, the Member for Highwood has been misinformed to the extent that the Alberta Ombudsman does not look at settlement issues. My office contacted them directly, and they do not, so that is not an avenue that settlements have.

Second of all, we're not talking about establishing or reestablishing an ombudsman. We're talking about ensuring or retaining the ministerial power to create an ombudsman office. The year could go by where we don't have an ombudsman and we see the difference in how disputes are resolved and all the rest while still leaving the minister with the authority to create an ombudsman office or re-establish in a subsequent year. The challenge with the way the amendment act is written is that it eliminates the ombudsman office altogether and removes the power of the minister to create an ombudsman office, which is part of the reason that I'm speaking so passionately about this this evening. The establishment of the office is also done through regulation, not through legislation. Again, the amendment is for the minister to retain his powers to create that office.

A couple of points I'd like to raise. First, the minister still has not addressed my question adequately on the process that is replacing the function of the ombudsman. I'll just reiterate. The appeal tribunal is not the same as the ombudsman office and has different authority. The tribunal is related to land issues and settlement matters whereas the office of the ombudsman is an independent and impartial office that deals with an avenue or an outlet, a process for residents to go through if there are issues or concerns about leadership and the governance of the Métis settlements. Going through to the minister's office is not the same thing as having an ombudsman. The minister's office, first of all, is not dedicated to resolve and work toward the resolution of these issues. It is not dedicated to the Métis settlements. As well, some could argue that it is not a completely impartial office, an avenue for complaints to go through.

I think we're comparing apples and oranges if we want to look at the number of complaints and resolutions that the ombudsman worked towards versus going a year without the office of the ombudsman and just seeing how many calls come into the minister's office. That is not the same avenue. Individuals may not feel as comfortable contacting the minister's office with their claims or their concerns or their issues.

Again, I welcome the minister looking at the annual report from 2011-12 – pardon me; for 2010-2011, but it's in the annual report the following year. There were 137 complaints made by settlement members. The number rose to 175 complaints in 2011-12, which is an increase of 30 per cent. So it is not correct that every year the number of complaints has gone down. That can be seen clearly in the annual report of the office of the ombudsman.

The other thing. Another value the ombudsman brought was that his office has the power to help resolve these disputes through an informal channel, where it doesn't have to necessarily go to formal investigations. Much of the work of the office of the ombudsman is done I don't want to say behind the scenes, but it doesn't need to go to that formal process. By eliminating that, sure, we may see that in a year from now it may rise, and I may say: "I told you so. Look at the number of complaints and formal investigations that have been launched." The problem is that the horses are already out of the barn, and we're now trying to close the barn doors because we've already taken away the power that the minister has to create an office of the ombudsman.

I'd be happy to be proven wrong. However, I urge the Assembly to look at the amendment, which is ensuring the minister has the power to create an office of the ombudsman. It is already eliminated out of this year's budget. That can't be changed. What I'm advocating for is that that power remains and is not removed so that in a year from now, if we see an increase in the number of complaints and formal investigations and this Chamber decides the ombudsman did in fact serve a very critical role, the minister has the authority to create an office of the ombudsman.

For those reasons, I urge members of this Assembly to vote in favour of this amendment. Thank you, Mr. Chair.

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

Ms Smith: Thank you. I appreciate the hon. Member for Edmonton-Beverly-Clareview clarifying some of that. I wonder if he might be able to clarify one more thing since he has had a conversation with the ombudsman office. One of the other concerns that I have is that we want to start removing – and I think this bill goes a long way towards that – some of the paternalistic approaches to members of our Métis communities. It does seem to me that having a special ombudsman just for Métis settlements and not having an ombudsman for other municipal councils seems to be moving away from this notion that we should be treating our Métis settlements as a similar order of government, as we do with our municipal governments.

I think that was sort of the intention that the provincial government was moving towards. I wonder if maybe my misunderstanding of the Alberta Ombudsman applies also to municipal government. Does municipal government have the opportunity? If somebody has a complaint against a municipal government, will the Alberta Ombudsman look at those cases? It would seem to me that if that is not the case, we are seeking to have some parity, and if it is the case that it applies to municipal complaints but not to Métis complaints, then maybe we need to actually change a different piece of legislation. Since I haven't looked at this closely

and it sounds like the Member for Edmonton-Beverly-Clareview has, I wouldn't mind if he might be able to clarify that for me.

10:10

The Chair: Thank you, hon. leader.

The Member for Edmonton-Beverly-Clareview.

Mr. Bilous: Sure. I thank the Member for Highwood for her question. You know what? I cannot speak at the moment on the Alberta Ombudsman, on what role that office can play in resolving municipal issues. I think that is a very valid question. I would be in support of looking into the benefits of creating a municipal ombudsman office, but I can tell you that the reason I feel strongly about the minister retaining the power to create the office of the ombudsman is because the Alberta Ombudsman will not investigate issues on Métis settlements. For that reason, there is not that avenue available for them as there is for most other Albertans

Thank you, Mr. Chair.

The Chair: Are there others? The hon. Member for Calgary-Mountain View.

Dr. Swann: Thank you, Mr. Chairman. I've been listening very intently to the interesting discussion here around the ombudsman, and I'm prepared to give the minister the benefit of the doubt. I see municipalities who have problems dealing directly with their municipal councillors, voting them out of office, starting movements to hold them accountable if they have been misbehaving, having a complaints process develop through their council when there are irregularities or consistent ignoring of problems.

I think this would be a major shift, that I'm not sure we want to set a precedent for, with the new autonomy and respect that is now being shown to the Métis councils. I'm willing to give the minister the benefit of the doubt on this one even though I was one who early on raised serious doubts about the elimination of the ombudsman as a result of this government's, well, timely budget cuts, I would call them, associated with this elimination.

I'm persuaded by the fact that, one, there's no parallel in the municipal government set-up and also by the fact that this minister has obviously gotten his commitment made to the Métis settlements, a delicate, difficult negotiation process, and this would, I think, be a significant threat to the kind of working relationship that has to be developed in these next few years to actually have a very constructive, mutually supportive, capacity-building role, which I think this minister, in all honesty, is trying to develop.

With great appreciation to the Member for Edmonton-Beverly-Clareview for doing his research, consulting, looking at the data, I think it was an important thing. We need to keep some tabs on the complaint process as it evolves over the next year or two on the Métis settlement issue. I hope to hear from the minister in the next year exactly the numbers of complaints and how the tribunal has been dealing with them.

Myself, I intend as the critic for First Nations to be in touch with individuals in the Métis settlements and to find out just what has happened in relation to their complaints process. I share the concern here that this independent officer, who was really responding directly to the people, will be a very different role from those in the council who are dealing with the concerns or the minister's office itself, which will be dealing with the occasional complaint. A very different process, very different roles and responsibilities, and very much less assured accountability, that I think all elected offices need to be held up to.

I won't be supporting this at this time. Thank you.

The Chair: Thank you, hon. member.

The hon. Member for Edmonton-Beverly-Clareview.

Mr. Bilous: Thank you, Mr. Chair. I just wanted to clarify a few points. I mean, obviously, I respect the opinions of all members in this House. The issue I have here is that getting rid of a dedicated process is not the answer. You know, the office of the ombudsman served a very useful and unique role. It was another level of oversight that the public had access to. The ombudsman worked in order to uncover whether there were misdoings or wrongdoings but also was just able to work with complaints in an informal way. The office of the ombudsman itself is an impartial and independent office, which I think is crucial when we look at, again, oversight within our democratic structures.

This amendment, I just wanted to clarify for the Member for Calgary-Mountain View, isn't about retaining the office of the ombudsman because that has been eliminated in this budget. This is an amendment for the minister to retain the ability to create an office of a Métis ombudsman. This is, again, an example, you know, where time will tell if the office is as necessary as I believe and New Democrats believe. Now, maybe it's not, but the point is that with this amendment the minister still has the authority to create that. If the bill goes through the way it is, unamended, that office will be eliminated permanently. That's really the concern here, Mr. Chair. This is an opportunity to leave a process, another form of oversight, in place as opposed to a decision that members of this Assembly will make which could change that, potentially, forever.

Again I urge the members of the Assembly to consider this amendment as a safety measure and as a way to leave that authority intact in this new amendment act should we the Assembly and the government decide, moving forward, that that position is as necessary as I hope to have articulated this evening.

Thank you, Mr. Chair.

The Chair: Thank you.

Are there others?

Seeing none, I'll call the question on amendment A8.

[Motion on amendment A8 lost]

The Chair: Back to the main bill.

Hon. Members: Question.

[Title and preamble agreed to]

The Chair: Shall the bill be reported? Agreed?

Hon. Members: Agreed.

The Chair: Opposed? That's carried.

The hon. minister.

Mr. Campbell: Yes. Mr. Chair, I'd ask now that the committee rise and report on Bill 19.

[Motion carried]

[The Deputy Speaker in the chair]

The Deputy Speaker: The hon. Member for Calgary-Fort.

10:20

Mr. Cao: Thank you, Mr. Speaker. The Committee of the Whole has had under consideration certain bills. The committee reports the following bill: Bill 19. I wish to table copies of all amend-

ments considered by the Committee of the Whole on this date for the official records of the Assembly.

The Deputy Speaker: Thank you.

Having heard the report by the hon. Member for Calgary-Fort, does the Assembly concur in the report?

Hon. Members: Concur.

The Deputy Speaker: Opposed? So ordered.

Government Bills and Orders Second Reading

Bill 21

Environmental Protection and Enhancement Amendment Act, 2013

The Deputy Speaker: The hon. Member for Calgary-North West.

Ms Jansen: Thank you, Mr. Speaker. I'm pleased to rise today and move second reading of Bill 21, the Environmental Protection and Enhancement Amendment Act, 2013.

Bill 21 will create a funding mechanism between industry and government to support the joint Canada-Alberta implementation plan for oil sands monitoring, announced in February 2012 by the governments of Canada and Alberta. This plan lays out a phased implementation of monitoring activities in the oil sands area over three years, from 2012 to 2015. The plan addresses several concerns that have been raised about monitoring in the region, including the need for a more integrated and transparent and scientifically credible oil sands monitoring program.

At the time the oil sands industry committed to providing funding over three years at a cost of up to \$50 million a year. The Canadian Association of Petroleum Producers recommended the funding formula that determines what each individual company will pay into the fund. The funding arrangement outlined in Bill 21 will enable Alberta to collect, hold, and disburse funds and continue to implement the joint plan. We fully expect industry to comply given that the mechanism was co-operatively and collaboratively designed and developed. However, as requested by industry, we have included a provision in the proposed legislation in the unlikely event that we need to impose regulation to pursue nonpayment. A final decision on a funding approach for a province-wide monitoring system has yet to be made.

Additionally, Bill 21 outlines our goal to fully integrate all hazardous waste management systems in Alberta, and with this in mind Bill 21 will remove the requirement for personal information numbers, or PINs, for hazardous waste management to support implementation of the regulatory enhancement project. Removal of the requirement for a PIN will support integration of the two waste management systems under the new Alberta energy regulator. Removing the PIN requirement will simplify administration and will not affect environmental assurance.

There is also a change in the regulation that ensures that all persons with delegated authority, not just government employees, are granted liability protection. Thank you, Mr. Speaker.

I now move to adjourn debate on Bill 21.

[Motion to adjourn debate carried]

Bill 17 Municipal Government Amendment Act, 2013

The Deputy Speaker: The hon. Member for Barrhead-Morinville-Westlock.

Ms Kubinec: Thank you, Mr. Speaker. I am pleased to rise today to move second reading of Bill 17, the Municipal Government Amendment Act, 2013.

Mr. Speaker, Bill 17 is necessary to amend the MGA to implement the new municipal sustainability strategy. This strategy intends to better support the long-term viability of municipalities by providing a wide range of tools and supports, not the least of which will be a new viability review process to be used when challenges to a municipality's viability are substantial. This new viability review process will result in a more proactive approach to identifying challenges, more community engagement and involvement in the long-term future of Alberta's municipalities, and more sustainable communities for our residents. I happen to have two such cases in my own constituency, so I really have a vested interest in this bill.

These changes will help make dissolution a last choice by giving communities a way to assess and work through issues. Thank you, Mr. Speaker.

The Deputy Speaker: Thank you, hon. member.

Are there other speakers to the bill? The hon. Member for Olds-Didsbury-Three Hills.

Mr. Rowe: Thank you, Mr. Speaker, for the opportunity to rise and participate in the discussion on Bill 17, the Municipal Government Amendment Act. I have been sitting in the Legislature for one year plus a few days. Prior to being elected as the MLA for Olds-Didsbury-Three Hills, I served as a municipal councillor for and then as mayor of the village of Beiseker. Over that period I also had the pleasure of working with the Alberta Urban Municipalities Association first on their board of directors and later on as the vice-president of villages and summer villages. In my experience as an elected official at both the municipal and provincial levels I know of several situations in my area of the province where small communities felt it would be in the best interest of the community to dissolve and become part of the surrounding municipal district. This is going to continue to happen from time to time in the future, and I agree that providing greater clarity around the dissolution process is needed.

Bill 17 would implement one of the recommendations made in the 2010 municipal sustainability strategy report, in which the AUMA was a participant. I know that the AUMA is supportive of Bill 17. They also make a good point that since the Municipal Government Act is being opened up to amend section 130, the section that deals with dissolution, there are also a few other pressing issues that they would like to see addressed at this time rather than waiting for the overhaul of the MGA, which will be continuing over the next couple of years.

Currently the MGA provides the minister with the following tools to resolve municipal issues: a dissolution study and the dissolution itself. Bill 17 is proposing to do away with dissolution studies and replace them with viability reviews. Other measures would also be added to the minister's authority so that the dissolution is not necessarily the only option to resolve municipal issues.

The term "viability review" certainly sounds more positive than "dissolution study," but besides a name change I would like to hear some of the more specific details on what the difference will be between a dissolution study and a viability review. What new elements will be looked at with a viability review that have not previously been looked at through a dissolution study? Are there things that were measured in a dissolution study that will no longer be included in a viability study? Currently I know of at least one community that recently triggered a dissolution study by

submitting a petition from 30 per cent of the population of the municipality to the minister. The minister and I had a discussion about this during the estimates debate. He mentioned that instead of a dissolution study, that community is going to be undergoing a viability study in anticipation of the fact that this is the way we will be moving in the future.

I know the government has all of the details of what a viability study will look like as compared to a dissolution study, and I look forward to receiving that information before debate on Bill 17 concludes. Thanks in advance to the minister and his office for providing that information.

In the Wildrose Official Opposition we respect the role of local decision-making in creating what's best for municipalities. We recognize that it is local leaders who best understand the needs of local communities. It is the people on the ground who are in the best position to determine what is needed for their community. I am supportive of the proposal in Bill 17 to amend the Municipal Government Act to write into law that a vote must be held on whether or not to dissolve a municipality before it can be dissolved. This only make sense, especially when a community asks for a viability study. They should be able to look over the results of that study and, based on what they see, hold a vote on whether or not they want to go ahead with the dissolution.

Bill 17 would ensure that if the electors vote to dissolve the municipality, the minister must make that recommendation to cabinet. I certainly hope that regardless of the party sitting as government, the government of the day would respect the decision made by the people within that community.

10:30

The other amendment Bill 17 would make that I view as a positive is to provide more tools than just dissolution to use to resolve problems within a municipality. Dissolution may not always be the answer to problems a municipality is experiencing. Sometimes municipalities may simply need some assistance and perhaps some direction as to what actions to take to resolve issues within their own community. Bill 17 will give the minister the authority to provide this assistance.

Mr. Speaker, I will always be first in line to support Alberta's municipalities. From the feedback I have received on Bill 17, it is clear that our municipalities support the changes to the Municipal Government Act that Bill 17 is proposing. I will be supporting Bill 17 and would also like to say that I look forward to the future discussions that will be had on all other sections for the MGA moving forward.

Thank you, Mr. Speaker.

The Deputy Speaker: Thank you, hon. member.

Are there other speakers? The hon. Member for Edmonton-Beverly-Clareview.

Mr. Bilous: Thank you very much, Mr. Speaker. It's my pleasure to rise and speak to Bill 17, the Municipal Government Amendment Act. I just want to say at the onset that I and the Alberta NDP caucus strongly value local governance and municipalities as an order of government and their autonomy and independence in decision-making.

With this bill, Mr. Speaker, I'm very happy to have spoken with representatives from the AUMA and the AAMD and C and to learn that they have been a part of this bill. They've been consulted, and, you know, this has been discussed with them, and for the most part they do approve of this amended piece of legislation, which I think is absolutely crucial before the government moves forward. So I do commend members on the

other side for working with these two organizations to draft this piece of legislation.

I think the bill is very interesting, Mr. Speaker. It contains many provisions that I and my colleagues from the NDP caucus can support. The need to hold a vote of electors in order for a dissolution to be approved is an example of direct democracy and a direct democratic procedure with respect to the most significant question that can face a municipality, and that's whether or not it should be dissolved. So I'm happy to see that that is part of this bill.

A couple of questions that I do have, Mr. Speaker. I'm not sure why there is no process for conducting the viability review that's laid out in the bill. Instead, the proposed section 130(3) states that "a viability review must be conducted in a manner determined by the Minister." Now, you know, that gives me a little bit of trepidation because it gives tremendous authority to the minister not only to initiate viability reviews when he wishes to do so but also to conduct them in the ways that he sees fit. Now, of course, the current Minister of Municipal Affairs would never abuse his authority or his post and the responsibilities that have been bestowed on him, but the concern is that I'm not sure if future ministers of municipal affairs will be as noble in their actions and as cautious with the power that they have, so I am concerned with this part of Bill 17.

It would be easier, I must say, Mr. Speaker, to support this bill if we – and I'm sure my colleagues in the Chamber here would agree – could see exactly how a viability review would work and what exactly is entailed in this process. I know, for example, that both bodies, AUMA and AAMD and C, are very curious to see what those details are and how this functions and carries out. You know, as elected lawmakers we want to promote accountability, transparency, and due process, so for that reason I'm concerned that the viability review process is not detailed in this bill, and I would have liked to have seen that.

The bill does provide the legislative framework required to support the municipal sustainability strategy, which has been developed in collaboration with the AUMA and the AAMD and C. I don't know why I'm tripping on that acronym tonight, Mr. Speaker. Any time the government can work collaboratively with various organizations and bodies that are directly and indirectly impacted by legislation that this Chamber passes to come up with a solution that everyone is satisfied with for the most part I think is an example of good governance.

Like I said, the AUMA and the AAMD and C, from conversations I've had with them, are happy to see this legislation as creating a series of options to keep municipalities viable and give them more than just the option of dissolution or not to dissolve. The AUMA has said that this is positive and constructive for municipalities, allowing currently or apparently unviable municipalities to work with their neighbours to find solutions that will work for them in their regions, which I think is very, very positive.

Again, Mr. Speaker, the bill gives tremendous power to the minister. I guess a note of caution that I will issue to the minister is that I believe that people will be watching, people within municipalities all across Alberta, within this room, and the two bodies. AUMA is going to be watching, AAMD and C is going to be watching, and we're going to be watching to ensure that the minister or his successors do not in any way, shape, or form abuse the power vested in them through this bill.

I just want to highlight very briefly, Mr. Speaker, the one issue that the AUMA raised, their one bone of contention if you will. They're disappointed in the minister's willingness to open the MGA in that it did not extend to property assessment and taxation

reform, which the AUMA specifically has submitted in its 2010-2012 reports. The AUMA is talking about reforms that are critical to ensure that they can offer the programs and services that many Albertans rely on. You know, unfortunately, coming from the AUMA, their opinion or belief is that by the minister delaying the conversation or opening up the MGA now, in the near future specifically looking at tax reforms and property assessments, is going to delay them in ensuring that communities are sustainable and viable. This delay might endanger their sustainability. It's definitely going to cause an increase in costs because of delayed infrastructure, maintenance, and repair.

It's also going to perpetuate inequalities between municipalities, Mr. Speaker. That's an issue that, you know, we definitely need to have further discussion and debate on in this House. There are differences in property taxes and differences in some municipalities having access to funds that other municipalities don't have. Quite frankly, there is an uneven playing field, which we do need to address. It needs to be addressed in the MGA. So I share the concerns that the AUMA has as far as the minister's reluctance to address these issues in a timely manner.

For the reasons I've outlined earlier, I will be supporting this bill, Mr. Speaker. A couple of questions I wish that my colleagues on the other side could clarify. I wish the bill had more details as far as the viability review, maybe a little less power given to the minister and future ministers. As I've said, I trust that the current Minister of Municipal Affairs will not abuse his powers, but we need to be thinking long term, that maybe future ministers might not be as impartial in their position. For these reasons, again, I will commend the members on the other side for drafting this bill, and I will support it.

Thank you, Mr. Speaker.

10:40

The Deputy Speaker: Are there others?

Seeing none, I'll invite the Member for Barrhead-Morinville-Westlock to close debate.

Ms Kubinec: Mr. Speaker, I call the question.

The Deputy Speaker: The question has been called.

[Motion carried; Bill 17 read a second time]

Bill 18 Pooled Registered Pension Plans Act

The Deputy Speaker: The hon. Associate Minister of Finance.

Mr. Fawcett: Thank you very much, Mr. Speaker. I'm pleased today to rise to move second reading of Bill 18, the Pooled Registered Pension Plans Act.

This act will provide the authority to create pooled registered pension plans here in Alberta, giving working Albertans more options when it comes to retirement savings. This proposed act comes on the heels of federal legislation which has enabled the territories and national companies to offer low-cost pooled pension plans, but in order for Albertans to take advantage of these new pension plans, it is necessary for our provincial government to create enabling legislation in our province, which is what I'm putting forward here today.

Actor and comedian Gene Perret once had this to say about retirement. "It's nice to get out of the rat race, but you have to learn to get along with less cheese." This quote, Mr. Speaker, was probably said in jest, but unfortunately for many Albertans this could be their reality as they reach their golden years. Research

has shown that a significant portion of Canadians are not saving enough for retirement and will likely see a drop in their standard of living when they retire.

There are many reasons for this, Mr. Speaker, not the least of which include increased life expectancy, with the average person now living more than four years longer than when the Canadian pension plan was introduced back in 1966, and limited personal retirement savings, with fewer than 6 per cent of Canadians maximizing their RRSP contributions each year. Another reason is difficulty making investment decisions amongst people due to a lack of information and experience. Another is that few people are joining workplace pension plans. Another reason is increasing household debt, making it more difficult to save for the future. Finally, one other reason is high management fees for retirement funds, which significantly reduce fund balances.

Make no mistake, Mr. Speaker. By no means are these excuses for putting off retirement planning. Our government strongly believes that it is every individual's personal responsibility to set aside enough money to live comfortably in retirement, but we also recognize that some of the factors I outlined just a few minutes ago are barriers to keeping Albertans from successfully planning for their future. To help address these challenges, our government has introduced the pooled pension plan legislation, that will give more Albertans access to retirement savings plans that are affordable, simple, and easy to administer. We are giving Albertans freedom and responsibility to choose how best to plan their retirement savings.

PRPPs offer many advantages to their members, the first being that they will be a low-cost retirement savings vehicle. Because of their pooled nature, the plans can take advantage of having a large number of members to share management costs so that cost to the consumer is lower than typical retail savings vehicles. In the federal legislation low cost is defined in the regulation as the permember cost being at or below that of a plan with 500 or more members. This means Albertans enrolled in these plans will end up with more money in their pockets by the time they are ready to retire

Plan members will also enjoy the benefit of belonging to a pension plan without having to work for a large company or organization. For the first time all small- and medium-sized businesses as well as the self-employed and the nonprofit sector will have access to professionally managed pension plans.

Another advantage of pooled pension plans is their flexibility. These new retirement tools will be portable, meaning members can move their pension contributions from one fund to another, and should the member leave a job to pursue another career, their pension plan will follow them to their new job.

Another benefit to these pooled plans is the high degree of customization available, Mr. Speaker. First and foremost, if an employer chooses to participate, their employees will automatically be enrolled in the plan. However, employees can still opt out if they so desire. Should they choose to join a plan, members may choose how their savings are invested based on their tolerance for risk and other factors. They can also choose how much to contribute within the plan's guidelines. Plan members may also choose to temporarily suspend their contributions to help them deal with changing personal circumstances that may occur from time to time. This adds up to a lot of flexibility for every member that is enrolled.

On the flip side, Mr. Speaker, for Albertans who aren't as comfortable with investment decisions, they can go with a default, the recommended option that is not too risky, and they still get a good, solid pension plan that works for them. This should remove a barrier that prevents some people from saving and investing

successfully for their retirement, the lack of knowledge or confidence to make specific decisions on investment funds.

One of the advantages of joining a pooled pension plan is that contributions will come right off their paycheque, ensuring that Albertans stick to the principle of paying themselves first.

Like other pension plans, funds are locked in but may be accessed under certain circumstances such as financial hardship.

Another benefit of pooled pension plans is the fact that they will not only benefit working Albertans but also business owners, Mr. Speaker. For employers these plans are easy to offer, and the administrative burden is very minimal. In fact, financial institutions that plan to offer the product tell us that it will be as easy if not easier than offering group RRSPs. Furthermore, we'll see these pooled pension plans as one incentive for smaller employers to use to attract employees and retain current staff.

There are other benefits of pooled pension plans over regular pension plans or group RRSPs. Employers will not be liable for investment decisions or results, benefit guarantees, or administrative burden and cost. Responsibility is limited to enrolling employees and deducting and remitting contributions, and that's it for employers. This takes a huge burden off their shoulders.

Another difference business owners will see in pooled pension plans is that employer contributions are optional. How much if any contribution is given should be a decision made between the employer and the employee.

Business owners that take advantage of the pooled pension plan program and decide to make a contribution will see some tax benefits or greater tax benefits over offering group RRSPs. Canada pension plan and employment insurance premiums will not apply to pooled pension plan employer contributions the way that they would to group RRSPs.

These, Mr. Speaker, are only some of the advantages of pooled registered pension plans. These new retirement savings vehicles are another tool we have to offer Albertans to make it easier to responsibly save for their future.

Bill 18, the Pooled Registered Pension Plans Act, will benefit a great number of Albertans from employees to employers, but most of all they will benefit hard-working families. Mr. Speaker, I can sit here and honestly say today that I wish that this plan was available to my parents as they were working hard and earning a living, putting me and my brothers through sports and school and making sure that we had everything that was available to us. It would have been nice for them to have this type of plan available to them so that they could have planned appropriately for their future. This is something that I worry about greatly, having parents that are getting close to retirement age, that they have the sufficient amount of retirement income.

10:50

A good retirement savings fund ensures that the financial burden of getting older is not passed on to our children and is not passed on to our society and, as a result, on to our government. The fact that there is a real concern that there are not sufficient funds available amongst citizens for retirement is certainly a huge concern, I think, of all governments across this country and something that we've been working on very closely with other provinces and with the federal government. Solid retirement savings make for good peace of mind, Mr. Speaker, and that is the legacy I hope Albertans leave behind as they enter into their golden years.

In closing, I ask all members of this Assembly to support this bill because it's the right thing to do, and it provides Albertans more options to be able to retire comfortably and with dignity. Thank you, Mr. Speaker.

The Deputy Speaker: Thank you, hon. minister.

Mr. Anderson: Mr. Speaker, it's my pleasure to speak today to Bill 18, the Pooled Registered Pension Plans Act. I want to commend the government for introducing this legislation. Here in this House debates, of course, are often heated, and barbs back and forth at each other are often sharp, but we should always take the time to recognize good ideas and to support some public policy solutions to the challenges that everyday Albertans face.

Fundamentally this bill will allow for more options for Albertans to plan and to save for their futures. Since this is a principle that we in the Wildrose constantly urge the government to heed when it comes to tax dollars and the province's budget, I am of course compelled to support this legislation since I believe it's a good thing for Albertans to have as many alternatives as possible to save for their retirement.

We know that only 1 in 6 Albertans working in the private sector currently participates in an employee pension plan and that employee pension plans can be onerous for small- and mid-sized businesses to establish independently. Pooled registered pension plans clearly address this issue.

I feel that we need to acknowledge the leadership of the federal Conservative government in passing Bill C-25 in order to make these new low-cost, easily accessible, privately administered pension options available to all Canadians. I'm glad the provincial government moved quickly with Bill 18 to provide the legislative framework for the regulation of these plans.

Accessibility is one of the most important aspects of these pooled pension plans. It is crucial and commendable that they will be available to employees with or without participating employers so that the self-employed will also have the opportunity to participate. Mobility is also key to these new plans so that an employee who changes jobs can carry their pooled plan with them to their new employment, where hopefully their new employer will participate. But if they won't, the employee can still make regular contributions to it.

It is important to recognize the burdensome administrative costs, management demands, and legal liabilities for small- and medium-sized enterprises in establishing employee pension programs. The pooled registered pension plans, or PRPPs for the acronym, proposed under the federal legislation and in this bill account for the concerns about the cost and administrative burdens of offering a pension plan to employees by ensuring the plans will be managed by qualified third-party administrators such as major banks and subject to a fiduciary standard of care so the best interests of participating Albertans are protected.

The Canadian Federation of Independent Business reports that 78 per cent of Alberta's small businesses do not have a company retirement savings plan but that the majority are either unsure about their options and would be interested in learning more about these PRPPs as an alternative or would definitely consider offering such plans in their workplace to improve retirement savings for them and for their employees. This legislation will give small businesses this option.

In addition to expanding the availability of options through which Albertans can save and plan for their futures, it is good that the PRPPs are defined contribution plans. Therefore, the PRPPs will avoid the risks around sustainability and liability that so many public pension plans face around the world today.

There is certainly still some needed work to be done on these plans, which can probably be dealt with mostly in regulation. For example, it does seem to me and to others I've spoken with that the parameters for contribution limits for self-employed participation should be different from those of regular RRSP contribution limits for regular employees. Contributions for the self-employed should be based on a special formula that accounts for the total amount eligible for PRPP donations, not necessarily reflecting their earnings in any given year, because earnings in these situations are often retained in the company of a self-employed individual and are not taken out as income.

A regulated formula should take that into account for self-employed individuals that own their own business and want to use this tool. If such a formula does not take care of this inequity, this would act as a penalty against self-employed individuals, who wouldn't be able to contribute as much to their plans. So I would ask that the minister address that when he is putting together his regulations.

In conclusion, Bill 18 represents an important step in offering private-sector employees and employers in Alberta an accessible and low-cost option for retirement savings plans. It is important for Albertans to have as many ways as possible to save for their future and to plan for their retirement. I urge all of us here to support this legislation and make Alberta one of the first provinces in Canada to match the leadership of the federal government and pass this enabling legislation for pooled registered pension plans.

Thank you, Mr. Speaker.

The Deputy Speaker: Thank you, hon. member. The hon. Member for Calgary-Mountain View.

Dr. Swann: Thanks very much, Mr. Speaker. I, too, am pleased to stand and speak to Bill 18, the Pooled Registered Pension Plans Act. I haven't yet made a decision about this bill, and our caucus is still coming to grips with it, but I think it's fair to say that it's an interesting idea that will potentially produce more choice. It will also potentially produce more risk and more uncertainty for many people who are already struggling with a plethora of choices in investment, many of whom, I think, are already convinced that CPP could provide most of what is needed if it was simply strengthened. We would reduce the overhead costs with such a large pool of monies with tremendous security as a national plan.

So we have some reservations about it but recognize that the pooled registered pension plans as articulated by the federal minister since 2010 to try to accommodate the provinces of Alberta and Quebec, that rejected the idea of CPP reform, put forward this opportunity for provinces to expand the scope and presumably make more accessible investment packages that were more stable, perhaps, more varied, less costly. We remain to be convinced

Looking at the approach that this government has taken to a lot of financial management, I guess many of us have doubts that they could add anything to the investment portfolios that are already out there. I mean, this is what independent business does. Why would we as a government feel that we have a better way to sell investments to people? It somehow flies in the face of what these folks and the Wildrose say they believe in, which is free enterprise. Here we are setting up something that I'm not sure wouldn't be there if it was already going to be a profitable venture on its own.

That having been said, I think there are some interesting aspects to this that we will look at, but certainly we've seen some of the criticisms that claim that they are not really that different from RRSPs as they exist today. As an investor myself I struggle just to understand the current costs, risks, benefits of the variable investment options out there today. I also recognize that they won't necessarily be effective in closing the gaps in retirement income unless they're mandatory on the part of employers and employees. It's difficult to know exactly what this government is

trying to achieve if people are already making choices around their investment strategy.

I acknowledge that about a third of Canadians don't having any savings, and they're at risk. There's no question. Only a third of Canadians are actually covered by a workplace pension plan. In fact, I'll correct my earlier statement. Only about a third of us have any savings plan at all. Clearly, some changes are needed.

The maximum CPP retirement benefit for someone who retires at age 65 is only about a thousand dollars a month. Clearly, that's not going to do it in the next 20 to 30 years. The median value of an RRSP for workers 55 years of age and over is just around \$60,000. In a typical year only a quarter of us put anything into an RRSP. So these obviously create some challenges that need to be addressed.

11:00

Again, I guess we have some questions about the risks and benefits. For many of us, adding yet another layer of investment opportunities will raise more questions and presumably create more risk. Albertans already have access, then, to RRSPs. Since PRPPs are voluntary, will those that are not participating in an RRSP choose these? Should people be forced to save for retirement? These are some of the questions that I think are being raised by this bill.

So far only Quebec has made employer contributions mandatory. That's not the case under this bill, as I understand it. The business community is certainly against any kind of mandatory employer pension contributions.

Will PRPPs expand pension coverage at the expense of pension quality? That's a question that I have certainly raised. Just having more numbers doesn't necessarily mean more accountability, better financial management. It will increase to some extent the need for oversight, administrative costs, and until it gets to the level where it's actually dealing with large amounts of money, one has to wonder whether it's going to be a cost-effective option. In other words, might they encourage some companies to drop existing in-house defined benefit pension plans, where they are already matching employee contributions, in favour of this new defined contribution scheme, where workers assume all the risk and employers aren't required to contribute to their pensions at all? Are PRPPs a precursor to defined contribution pension plans for public-sector workers?

In his 2013 budget speech the Finance minister said:

The pension boards are reviewing four major public-sector plans: the local authorities pension plan, the public service pension plan, the management employees pension plan, and the special forces pension plan. This review will ensure these plans remain part of a competitive compensation package for the public service while protecting taxpayers' interests.

Could giving people yet another retirement saving option actually make things worse?

Columnist Preet Banerjee notes, and I quote: we have RRSPs, TFSAs, RESPs, PRPPs; a lot of people will be suffering from paralysis with all these choices. End quote.

Some interesting opportunities. I look forward to learning more and hearing from both sides about these debates. I certainly wouldn't want to rush in to fill a gap that already has old age security and guaranteed income supplement, mandatory public pension plans like CPP, and private savings vehicles like RRSPs and workplace pension plans. I look forward to the debate.

Thank you, Mr. Speaker.

The Deputy Speaker: Thank you, hon. member. Standing Order 29(2)(a) is available.

Seeing none, I'll recognize the next speaker, the hon. Member for Edmonton-Beverly-Clareview.

Mr. Bilous: Thank you very much, Mr. Speaker. It's my pleasure to rise and speak to Bill 18, the Pooled Registered Pension Plans Act. Similar to the Member for Calgary-Mountain View, there are quite a few questions that I and the Alberta NDP caucus have regarding this act.

There's no dispute or discussion on the issue that Canadians deserve to have meaningful improvements to their pensions. The CPP has a proven track record of professional management, low-cost administration, and reasonable rates of return. Through modest and mandatory savings the CPP provides the guarantee of defined benefits, which provide Albertans with an unrivalled peace of mind. It's therefore, in my opinion, the best option for helping to secure a guaranteed future for Albertans' retirement. What's interesting, Mr. Speaker, is that only 18 per cent of Albertans have a private-sector pension plan versus 40 per cent Canada-wide.

Now, Gil McGowan of the AFL has said that what Albertans desperately need is a mandatory pension program to ensure that they don't retire into poverty. He says that the PRPP is a step backwards because it's not mandatory and, even when combined with federal benefits, is still not enough to ensure that workers have sufficient money when they retire. The AFL and the federal NDP say that PRPPs are simply a glorified RRSP, designed in such a way as to see retirement savings of Albertans handed over to the financial sector, which, quite frankly, has often failed to deliver on its promises with surprising regularity. Anyone who has tried to cash in their RRSPs during the end of a business cycle will know what that means.

It's also important to note that during the great economic recession the CPP barely lost but a few percentage points in value while the stock market took a terrible turn, as many will recall. It's likely that if the PRPP was around at the time, it would have lost an equivalent value to that of the stock market, not the CPP.

Now, Mr. Speaker, PRPPs are entirely voluntary. They contain no requirement for employers to match employee contributions. The benefits they pay out are not guaranteed and are subject to the vagaries of the stock market. If people couldn't afford RRSPs before, then it's unlikely that they'll be able to afford them now. Only 31 per cent of eligible Canadians actually use their ability to invest in RRSPs.

The PRPP will be just another gift to Bay Street, just another financial product that they can sell, especially if they negotiate higher fees than RRSPs. This legislation does nothing to cap the fees that administrators of the PRPPs will charge.

Mr. Speaker, many people believe that the Canadian pension plan is the most efficient, most effective tool for ensuring income security for all Canadians, especially with its operating cost of 1 per cent or better and a good track record. It's pan-Canadian, and it's portable. Therefore, instead of spending so much time and effort working on a new voluntary program, the government should be looking at ways to support and enhance the expansion of the CPP.

The Canadian Labour Congress has a detailed plan to double the CPP benefit, from \$934 a month to \$1,868, by gradually increasing the employee and the employer contributions, each from 4.95 per cent of salary to 7.95. Regardless, Mr. Speaker, there are unlikely to be many companies that are profitable enough or right-headed enough who are going to provide pensions who don't already have pension plans of their own.

Mr. Speaker, there are several questions that I have about this new act and PRPPs. What's interesting to note is that Australia

had a similar plan to PRPPs, but the plan was mandatory, with an opt-out provision. The AustralianSuper fund required employers to enrol their workers in one of the many defined contributions plans offered by the private sector. A recent review, commissioned by the Australian government, after 12 years' experience of doing this reported that the AustralianSuper fund did not even match inflation. Again, part of the reason is because the fees that were being charged were just eroding the interest that they were earning

I'll move into some of the questions that I have, which hopefully will be addressed soon, Mr. Speaker. I think it's safe to say that most people will agree our pension system in Canada needs to be improved and requires improvement. Now, what can't be agreed upon is whether or not Canadians will be better served by forcing them to hand over their hard-earned money to the private sector so that their retirement can be predicated on the ups and downs of the stock market, guaranteeing large profits for the big banks and investment companies, with no guarantee for Canadian families, or if we should take a more practical and prudent step to expand what's already working for Canadians and guarantee money for their retirement by expanding the CPP.

As I've stated earlier, there are some that believe that the PRPP is really nothing more than a glorified RRSP. It's got a defined contribution plan, but the money is invested back into mutual funds, bonds, et cetera. There are no guarantees for employees and no new money.

My first question – and there are a list of them, Mr. Speaker – is: why has the government failed the best interests of Albertans by failing to advocate on behalf of them to increase the CPP? Maybe I should rephrase that to find out if the government did look into expanding CPP and increasing it.

11:10

The next question: if the government truly believes that the fees will be lower than existing retirement tools, will they commit to legislating a cap on the fees that administrators can charge? Again, there's no vehicle that I'm aware of where the fees are as low as what we pay through CPP, which is around 1 per cent.

As well, there are no provisions that would even index the benefits to inflation. So, really, in the long term, you know, people who are investing in the PRPP could actually be sliding backwards, Mr. Speaker, and losing money each year.

What type of efforts will the government make to ensure that Albertans understand the difference between the PRPP and the CPP? How much will this new program cost the government of Alberta to regulate, including possible court fees if the act is contravened?

The bill does nothing to ensure that corporations that go bankrupt will see pensioners and those on long-term disability go to the front of the line of creditors. Again, they may not see their dollars at all.

Moving to section 3, Mr. Speaker, it explains how this act will apply to employees of employers who participate in the plan and to the self-employed.

The question is: will there be any tax benefits to corporations who implement a PRPP in Alberta? If not, is the government planning on providing any? How many businesses who currently do not provide any sort of pension plan whatsoever does the Alberta government believe will adopt the PRPP? In other words, a little bit more about, you know, where the logic behind bringing in this new tool came from or the statistics, I should say. How many businesses are likely to include an employer contribution?

Moving to section 5, subsection (2) allows the superintendent of pensions to

(a) conduct studies, surveys and research programs and compile statistical and other information relating to plans and their establishment, administration and operation.

This information can be shared with other governments, government agencies, or regulatory bodies of designated jurisdictions, which means Canada or a prescribed province outside of Alberta. Under (c) this information can be shared with supervisory authorities, bodies that act like the superintendent of pensions in Alberta and other designated jurisdictions. The question really is: would the government commit to making any of this information publicly available?

Sections 7 and 8 allow the minister to enter into bilateral or multilateral agreements with other provinces on matters relating to the PRPP. This would allow the superintendent of another jurisdiction to enforce any powers under our act and authorize our superintendent to exercise any powers of analogous legislation from an authority in another province here.

There are provisions in section 8(2)(b) which allow us to limit the application of the analogous legislation of a jurisdiction that is party to an agreement.

Section 8(1) states that the province can "enter into an agreement with the appropriate authorities of 2 or more designated jurisdictions respecting any matters relating to pooled pension plans." Does this mean that the province cannot enter into an agreement with only one province? Is the province worried that if only a small number of provinces enter into the PRPP plan, sufficient economies of scale will not exist and that the fees that will be charged by plan administrators will not be any better or even worse than the financial retirement tools which are currently available?

Section 9(2) provides that any bilateral or multilateral agreement will prevail over any provisions of this act in the case of inconsistencies or conflicts between them. So a couple of questions. Why would the government give away so much power under a bilateral or multilateral agreement? Why should we trust this government to negotiate such an agreement?

I'm going to jump ahead to section 13. If any administrator becomes insolvent, is unable to act as administrator, or the superintendent feels that this is in the best interests of the members, the superintendent can transfer all assets and the plans that it administers to an entity designated by the superintendent, including all the contractual rights and obligations that the former administrator had. There do not seem to be any provisions here for other entities to refuse to accept the assets and plans of an insolvent administrator. What will occur if another administrator cannot be found? Could the government or the superintendent be held accountable?

If the superintendent moves the assets and plans of a provider to another, will the former plan administrator be compensated? If not, and the new administrator benefits financially, will the money go to the previous provider? If the contractual rights and obligations are transferred to a new administrator, will the former administrator still be held accountable to any financial liabilities?

If the members suffer a financial loss due to an administrator becoming insolvent or unable to continue, will the member or members be compensated, and if yes, by whom? Could the government or the superintendent be held accountable? If the benefits being provided to members are negatively affected by an administrator becoming insolvent or unable to continue, will anybody be held liable for lost earnings? How many administrators are currently licensed in Canada, and how many do we expect to operate?

Section 84(1) of this act imposes court-ordered fines of up to \$500,000 for an offence under this act. The court can also order that

any party comply with the act or with a contract. My question is: does this fine apply to each offence or to all offences under consideration at one time? Can any administrator lose their licence for offering inducements? What protection will there be for an employee who believes that they have information concerning possible inducements and who wants to provide this information to the superintendent? What obligation will the superintendent have to follow up on allegations of inducements? What resources will they have to investigate such claims, and how much will this cost?

All right. Just looking over some of my other questions, there are quite a few that I have and still some that are outstanding, Mr. Speaker, but I will try to wrap up. Again, just to bring up another point, currently people without a pension plan are often targeted by private providers of retirement investment tools such as RRSPs or tax-free savings accounts or mutual funds. Mutual funds and RRSPs often charge around 2 to 3 per cent in management fees. This is quite a stark comparison to the 1 per cent that CPP charges or operates at.

The often-stated primary benefit of this idea is that it will pool together the retirement savings of many individuals and, therefore, because of economy of scale, will be able to offer a lower administrative fee than other retail retirement tools. During the briefing that we received from the Associate Minister of Finance, he stated that fees are likely to work out to something less than 2 to 3 per cent but more than 1 per cent. These plans are defined contribution, not defined benefit, so there's no guaranteed retirement income. Now, the Saskatchewan pension plan claims to have administrative costs of 1 per cent, and it's also voluntary.

You know, just some general questions to the associate minister. Why is the government of Alberta spending time and resources on a plan that doesn't guarantee retirement incomes? Will there be a minimum benefit that people can receive? Will there be a minimum contribution that employees must make? Has the government considered that depending on what gets negotiated, the benefits could be worse than what the private-sector pensions currently provide, which could incentivize companies to drop their current private pensions and move towards the PRPP, initiating a race to the bottom on pensions?

The problem we're facing today is that many Albertans cannot afford to save for their retirement, Mr. Speaker. The decrease in administrative costs between the RRSP and other retirement financial tools . . .

The Deputy Speaker: Thank you, hon. member. Standing Order 29(2)(a) is available.

Dr. Swann: I was just wondering if he had any more to say about that issue.

Mr. Bilous: Well, I thank the hon. Member for Calgary-Mountain View. I'll wrap up here. Basically, the decrease in administrative costs between the RRSP and other retirement financial tools and the PRPPs will only be a few percentage points at best. So what makes the government believe that this will make them much more affordable to Albertans?

Similarly, what makes the government believe that a savings of 1 or 2 per cent in administrative fees is going to make this affordable suddenly for small- to medium-sized companies? Why won't the government admit that this plan is looking more and more like a glorified RRSP?

Again, if the true purpose is to help Albertans save for their retirement, I'm curious to know if the minister has explored the idea and the option of increasing CPP, which again has the proven track record, the low administrative fees, is spread out for all

Canadians, so you have a much lower risk because of the number of people involved in that pooled pension. Would it not make sense to look at increasing CPP as opposed to creating another financial tool which may or may not prove to actually be more affordable and may not actually encourage or provide Albertans with the opportunity to save more for their retirement?

I look forward to further debate in the House about this bill. Thank you, Mr. Speaker.

11:20

The Deputy Speaker: Thank you, hon. member.

Are there other speakers?

Hon. Members: Question.

The Deputy Speaker: The question has been called.

I guess I'd offer the hon. associate minister the opportunity to close debate.

Mr. Fawcett: I just want to say that I appreciate the comments of all members. There were a number of questions asked. We'll endeavour to get back to the members on the questions that were proposed to us.

I'm glad to see that there is considerable support, at least from some of the parties opposite, for this program that will help all Albertans.

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

[Motion carried; Bill 18 read a second time]

Government Bills and Orders Third Reading

Bill 15 Emergency 911 Act

The Deputy Speaker: The hon. Associate Minister of Municipal Affairs.

Mr. Weadick: Thank you, Mr. Speaker. It's a pleasure to rise and move third reading of this bill.

Mr. Speaker, we've heard lots of support across the floor for this bill. We know that there are a number of issues facing 911 call centres. We have the cost, new technologies, and all of those other things, and we know that this bill will go a long way to resolving some of those issues. We also know that this levy against cellphones will allow us to continue to support 911 call centres across the province of Alberta.

But, Mr. Speaker, one of the other really important things is that it will take the liability off of 911 call centre call takers. As we do with volunteer firefighters, it will absolve them of liability when they're working at the level of their training.

Mr. Speaker, there are fines now for the intentional misuse of 911. This does not include pocket dialing. It's specifically let out of the legislation, but now if there is frivolous and vexatious use, we can act against those people. Those are some of the questions that we heard during debate.

Mr. Speaker, I would ask for support in third reading.

The Deputy Speaker: Are there other speakers? The hon. Member for Edmonton-Beverly-Clareview. [interjections] Please, hon. members, the Member for Edmonton-Beverly-Clareview has the floor.

Mr. Bilous: Thank you. I can appreciate that it's late into the night. However, you know what? I think at the same time it's

more important that members have the opportunity to rise and speak to these bills, considering we are passing legislation in this province.

First and foremost, certainly, the Alberta NDP supports the principle behind this bill and what the government is trying to do, okay? We're trying to ensure that costs related to the 911 system are funded by all phone subscribers. However, it's unfortunate – and I'd like to note this, Mr. Speaker – that this bill passed through Committee of the Whole on April 24 late in the evening without any comments or proposed amendments from any party. Now, I'm not suggesting there was not an opportunity for debate or tabling amendments. However, in the midst of budget debates somehow this bill slipped along rather quickly. Perhaps we didn't fully consider this bill and everything it entails. Had the bill been amended in Committee of the Whole, I might be able to stand and support the bill this evening. However, there are several loopholes and unintended consequences lurking in this bill, which I'm going to illustrate

I want to begin by noting that it's correct to say that other provinces have similar 911 levies to support their emergency response systems. However, all provinces impose and regulate those levies in different ways. Now, it is true that Alberta has administered a 911 levy on land lines for a number of years, Mr. Speaker; however, I have to say that my staff and the Legislature Library both had difficulty finding out exactly how this levy on land lines first came about. Was it through legislation or regulation or how exactly? It's difficult to find information, which is always a little disconcerting. The reason I point this out is that this bill addresses 911 levies for wireless devices specifically whereas other provinces have one piece of legislation or regulation that refers to levies on both wireless and land lines.

Now I'd like to focus on several substantive concerns that we have with regard to the way the bill is written, Mr. Speaker. If the minister is responsive to legitimate concerns and constructive criticism, he'll consider the issues very seriously and consider making changes to legislation going forward. One, the vagueness of this bill. For instance, clause (c) in section 7 gives the minister the power to "do any other thing the Minister considers necessary" in order to carry out the purposes of this act. It's unfortunate the minister couldn't be more specific about the powers that he's requesting.

The fundamental principle of responsible government is that the executive branch and the bureaucracy come up with a range of policy alternatives to suit decided upon policy and present them at cabinet and then, in turn, present them for debate. So how can the Assembly simply give the minister the blanket authority to do anything he needs to do? It's his responsibility as a minister reporting to this Legislature to propose to us what he needs to do, to provide us with details in order to improve the 911 system, which we would all support. Moreover, it's been noted by other hon, members who have spoken previously that many of the most pertinent details surrounding this legislation will only be detailed in cabinet regulations, which is always problematic, again for the same reasons I just stated.

Now, at this point effectively the government is asking members to support a piece of legislation where we do not know the exact amount of the levy or the amount that the wireless companies will be allowed to retain to pay for administrative costs. The government says that the fee will be 44 cents per device per month, but it's not stated in the legislation.

Two, section 8 is also problematic. It prohibits any person from making a frivolous or vexatious 911 call. However, it provides no detail about how that determination will be made. Again, perhaps the principle is okay, but the wording and implementation in this

bill is very problematic. Now, the ministry's website, Mr. Speaker, provides information about this bill and this section specifically that should, frankly, be included in the bill. The website states that a frivolous 911 call is any 911 call made deliberately to abuse the system. However, this bill itself includes no definition of frivolous or vexatious, and the word "deliberately" is not included in this section of the bill. Here we have an example of a discrepancy between how legislation is written and will be enforced and how the government is selling this bill to us and the public on the ministry's website.

The website also states that 911 operators who feel they've been subject to frivolous calls will be able to place a complaint with their local police service and that no one will be fined for calling 911 in good faith or by accident. These are details that should be included in the bill. They're on the website, but they're not in the bill, Mr. Speaker.

Again, I want to reiterate that the principle and the spirit of this legislation are good, but the way the legislation is currently worded could have unintended consequences. For example, there are situations where one can imagine a call appearing to be frivolous to people who are not in danger themselves, including dangerous situations that may appear to not exist or be resolved by the time emergency responders arrive. People who find themselves in those dangerous situations should never have to question whether someone on the other end of the line will be evaluating their call on the basis of whether it's frivolous or not.

It's also imperative, Mr. Speaker, that no one who makes an accidental phone call to 911 is ever charged with making a frivolous call. I'd feel much more comfortable supporting this legislation if it was a bit more carefully worded to include some of the language that's actually posted on the website, where it explicitly states that no one will be fined for calling 911 in good faith or by accident. I'm still unsure as to why that wording is on the website and not included in the bill itself.

Three, I'm also concerned about the imposition of a fine of up to a thousand dollars for not paying the levy. Does this mean that someone who runs into financial trouble and misses a cellphone payment will be guilty of contravening section 4(2) and, hence, liable to a fine under section 9(2)?

11:30

I want to bring to the House's attention that Saskatchewan, which has a 70-cent-per-month 911 levy, has a much different policy, Mr. Speaker. According to section 45.2(2) of the Saskatchewan Telecommunications Act, "if a customer fails to pay the Sask911 fee... the corporation may terminate the customer's telecommunications services until the fee or charge is paid in full." They do not fine people up to \$1,000. Instead, they reaffirm the right of the wireless corporation to discontinue service if someone does not pay their phone bill, which seems to be far more reasonable.

Now, if the PC government here in Alberta is concerned about people somehow paying the balance of their phone bill but refusing to pay the 44-cent fee for the 911 levy for some reason, which seems far reaching, Mr. Speaker, then section 9(2) should explicitly state that people will only be fined if they deliberately and repeatedly contravene section 4(2). Under no circumstances should we find a single parent who can't pay their phone bill on time one month due to unforeseen circumstances being fined up to \$1,000 because they missed paying their 44-cent 911 levy.

As we are all aware, in writing legislation, word choice does matter, definitions matter, and detail and nuance and care matter because they will be enshrined to stand the test of time. These things are not superfluous. We should not rush, and we should not approve legislation that is badly or insufficiently detailed.

I want to conclude, Mr. Speaker, by saying that this bill is not an excellent piece of legislation. The principle is right – there is no disagreement there – but the exact wording is problematic. To reiterate to all members of the Assembly here, the NDP caucus is supportive of the principle of this piece of legislation, but we see another instance here of poorly written legislation with many holes which present questions that raise issues of concern for working families. Legislation should never have unintended consequences. It should be written with such clarity and foresight so as to preclude or at least address and answer the kinds of questions that I've outlined here today.

Mr. Speaker, this bill is not written with the utmost clarity and foresight. It is problematic in a number of ways, and the government asks us to accept its word on faith. They say that the charge will be 44 cents per month. They say that no one will be fined for calling 911 accidentally. No Albertan should ever fear calling 911 because they think it could be misinterpreted as a frivolous call. The government says nothing at all about whether late payment of one's phone bill could lead to a \$1,000 fine, which would be ridiculous.

I hope the minister considers these issues and takes the opportunity today to address each of these specific questions that I've raised and provide his assurances in the House and to all members and that the minister considers making appropriate changes to this act. Therefore, Mr. Speaker, until such time I cannot in good conscience support this legislation. I am unable to support it as it is currently written.

Thank you, Mr. Speaker.

The Deputy Speaker: Thank you, hon. member.

Are there others?

Seeing none, I'll offer the hon. associate minister the opportunity to close debate.

Hon. Members: Question.

The Deputy Speaker: The question has been called.

[Motion carried; Bill 15 read a third time]

Bill 19 Metis Settlements Amendment Act, 2013

The Deputy Speaker: The hon. Minister of Aboriginal Relations.

Mr. Campbell: Thank you, Mr. Speaker. I'm pleased today to rise and move third reading of Bill 19, the Metis Settlements Amendment Act, 2013.

The Deputy Speaker: Speakers to the motion? The hon. Member for Edmonton-Beverly-Clareview. [interjections]

Mr. Bilous: Thank you, Mr. Speaker. I'm thrilled to hear my colleagues so enthusiastic about my rising to speak to this bill. Thank you very much.

Mr. Speaker, I want to start off by saying that there definitely are some concerns that I tried to raise during Committee of the Whole, amendments that I put forward and that I spoke to. There were amendments put forward by the Wildrose opposition that were very reasonable in nature. Again, you know, I think it's worth reminding all members of the Assembly that most amendments, if not all, that are put forward by the opposition are meant to improve a bill and strengthen it as well as to remind

members of the government that there are four different political parties represented in this House and different ideologies that many Albertans hold. By bringing forward amendments, this is an opportunity for us to ensure that all Albertans are represented, not just the ideas of one political party.

You know, I won't go back too much on the ombudsman and the amendments that, again, my colleagues from the Wildrose put forward as far as trying to strengthen this bill, amendments that were quite reasonable, looking at ensuring that the public interest is protected and that there are transparent and open processes for not only residents of Métis settlements but for all Albertans to be confident in this legislation going forward.

I wanted to just touch very briefly on an earlier discussion during Committee of the Whole on treating Métis settlements as municipalities. I think it's worth noting that the folks that I've spoken to on Métis settlements and the leadership are very much opposed to being classified or treated as a municipality. They are distinct, and they are very unique. For those reasons, the Métis settlements having, for example, a position of an ombudsman where municipalities don't have an ombudsman specifically appointed to work with them that is independent and impartial – I think that we're trying to compare apples and oranges. Settlements are very unique, and therefore they need to be treated that way, so there is a role for an ombudsman to act and to continue. It's disheartening that that power that the minister had has been squashed

You know, I do appreciate the fact that the Minister of Aboriginal Relations did a significant amount of research and had many discussions with the different leaders of the Métis settlements and that this piece of legislation was a collaborative effort, and for that I will thank the hon. minister. This legislation

does help and does work with the Métis settlements to be, I believe, more independent and to continue their process of governance.

With that, Mr. Speaker, I will support this bill. It's unfortunate that all of the amendments put forward by the opposition parties were voted down. Again, you know, if we want to ensure that all voices in Alberta are represented and that we do look at pieces of legislation from the different points of view and perspectives not only on the political spectrum but also from each of us who speaks on a regular basis with our constituents and tries to bring their issues, their concerns, and their ideas forward in the House, I strongly urge the government to consider especially the very reasonable amendments that are meant to improve legislation. I would argue that nothing is ever perfect; it can always be improved.

With that, Mr. Speaker, I will thank you for giving me the opportunity to speak to the third reading of this bill.

The Deputy Speaker: Thank you, hon. member. Are there others?

Hon. Members: Question.

[Motion carried; Bill 19 read a third time]

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

Mr. Campbell: Well, thank you, Mr. Speaker. Seeing that it's about 20 to 12 and we made great progress tonight, I would move that we adjourn the House until 1:30 tomorrow afternoon.

[Motion carried; the Assembly adjourned at 11:40 p.m. to Tuesday at 1:30 p.m.]

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