

Province of Alberta

The 28th Legislature Third Session

# Alberta Hansard

Tuesday afternoon, December 9, 2014

Issue 14a

The Honourable Gene Zwozdesky, Speaker

# Legislative Assembly of Alberta The 28th Legislature

Third Session

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Young, Steve, Edmonton-Riverview (PC)

#### **Party standings:**

Progressive Conservative: 63

Alberta Liberal: 5

Stephanie LeBlanc, Parliamentary Counsel

Wildrose: 14

5 New

New Democrat: 4

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Independent: 1

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Manmeet Singh Bhullar	Minister of Infrastructure
Robin Campbell	President of Treasury Board and Minister of Finance
Jonathan Denis	Minister of Justice and Solicitor General
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Kyle Fawcett	Minister of Environment and Sustainable Resource Development
Jeff Johnson	Minister of Seniors
Stephen Khan	Minister of Service Alberta
Heather Klimchuk	Minister of Human Services
Maureen Kubinec	Minister of Culture and Tourism
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Diana McQueen	Minister of Municipal Affairs
Frank Oberle	Minister of Energy
Verlyn Olson	Minister of Agriculture and Rural Development
Donald Scott	Minister of Innovation and Advanced Education
Teresa Woo-Paw	Associate Minister of Asia Pacific Relations

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Chair: Mr. Amery Deputy Chair: Mr. Fox

DallasQuadriEggenRogersHehrRoweHorneSarichKennedy-GlansStierLuanTowleMcDonaldKennedy-Glans

# Special Standing Committee on Members' Services

Chair: Mr. Zwozdesky Deputy Chair: Mr. VanderBurg

Forsyth	Lukaszuk
Fritz	Mason
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Hale	Sherman
Johnson, L.	

#### Standing Committee on Resource Stewardship

Chair: Mr. Goudreau Deputy Chair: Mr. Hale

Allen	Casey
Anglin	Fraser
Bikman	Johnson, l
Blakeman	Mason
Brown	Xiao
Calahasen	Young
Cao	

L.

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

Chair: Mr. Casey Deputy Chair: Mrs. Jablonski

AmeryLukaszukBarnesMasonEllisShermanHorner

### Standing Committee on Private Bills

Chair: Mrs. Leskiw Deputy Chair: Ms Cusanelli

AllenOlesenBilousRoweBrownStierDeLongStrankmanFenskeSwannFritzXiaoJablonski

## Standing Committee on Families and Communities

Chair: Ms Olesen Deputy Chair: Mr. Pedersen

Cusanelli McAllister Eggen Quest Fenske Rodney Fox Sandhu Fritz Swann Jablonski Weadick Leskiw

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

Chair: Mr. Luan Deputy Chair: Mr. Rogers Bilous Pastoor Calahasen Pedersen Cao Rodney Casey Saskiw Ellis Starke Kang Wilson Olesen

# Standing Committee on Legislative Offices

Chair: Mr. Jeneroux Deputy Chair: Mr. Starke

Bikman	Leskiw
Blakeman	Quadri
Brown	Wilson
DeLong	Young
Eggen	

#### Standing Committee on Public Accounts

Chair: Mr. Anderson Deputy Chair: Mr. Young

AllenJenerouxBarnesLuanBilousMcAllisterDonovanPastoorHehrSandhuHorneSarichJansen

#### Legislative Assembly of Alberta

1:30 p.m.

Tuesday, December 9, 2014

[The Speaker in the chair]

#### Prayers

The Speaker: Good afternoon.

Let us pray. Dear God and Holy Creator, help us to remember that as elected members of this Assembly, we are but servants gathered here to represent a diversity of people. May the common thoughts that unite us shine ever much brighter than those that divide us. Amen.

Please be seated.

#### **Introduction of Visitors**

**The Speaker:** The hon. Member for Red Deer-South, the legislative secretary of International and Intergovernmental Relations.

Mr. Dallas: Well, thank you, Mr. Speaker. I rise to introduce to you and through you to the members of this Assembly the delegation from the Eastern Cape Provincial Legislature: Ms Ndlangisa-Makaula, Mr. Sokujika, Mr. Lwane, Mr. Gqobana, Mr. Botha, Dr. Mbanga, Mr. Basson, and Mr. Langbooi. The delegation is visiting to learn more about our province's best practices in community planning, public service, and sustainability. Alberta is a province with strong international ties, and this includes our long-standing relationship with Eastern Cape and South Africa, Alberta's largest sub-Saharan trading partner. Like Alberta, South Africa is defined by diversity that includes a wide range of cultures and languages, and through our similarities there is a lot we can learn from each other. It is a great pleasure to welcome the delegation on their official visit to our province. We look forward to exchanging expertise and to the great achievements future collaboration will bring. The delegation is seated in your gallery, and I would now ask that our honoured guests please rise and receive the best wishes along with the traditional warm welcome of this Assembly.

The Speaker: Thank you.

#### **Introduction of Guests**

**The Speaker:** We usually begin with school groups, so let's start with Edmonton-Calder and go on to the Minister of Human Services.

**Mr. Eggen:** Well, thank you, Mr. Speaker. I am pleased to rise and introduce six students and a teacher from Inner City High School in Edmonton-Calder. Inner City High School is on 101st Street and is a remarkable institution. I'm very happy to see the guests here today. I hope they can rise and receive the warm welcome of the Legislature.

**The Speaker:** The hon. Minister of Human Services, followed by Sherwood Park.

**Mrs. Klimchuk:** Thank you, Mr. Speaker. Today I'm delighted to introduce to you and through you to the members of the Assembly some constituents from Edmonton-Glenora. I'd ask that they rise when I say their name, please: Ms Natashia Foran, Ms Linda Willis, Mrs. Cindy Paziuk, Mr. Kevin Inkster, Ms Margret Ingibergsson, Ms Lisa Weber, Ms Brittney Ann Gray, Mrs. Beryl

Keller, Ms Sonya Witzman, and Mr. Mark Woodhouse. Welcome. I'd ask all hon. members to welcome them to the House.

The Speaker: The hon. Member for Sherwood Park.

**Ms Olesen:** Thank you, Mr. Speaker. I'm pleased to introduce to you and through you to all members of the Legislature a group of students from the constituency of Sherwood Park and New Horizons School. They're accompanied by their teacher, Phaidra Ruck. I had the pleasure of visiting with these students about a month ago, and we had our own version of question period. We had a great time. If we could all join in and show them the warm welcome of the Assembly. Thanks for being here.

**The Speaker:** Thank you to those hon. members for keeping their introductions relatively brief. Let's see if we can keep that trend going.

The Minister of Education, followed by Edmonton-Beverly-Clareview.

Mr. Dirks: Thank you, Mr. Speaker. It's a pleasure to rise today and introduce to you and through you to the members of the Assembly three individuals visiting today from Let's Talk Science, an award-winning national charitable organization that designs and delivers learning programs and services to engage children, youth, and educators in science, technology, engineering, and mathematics. Founded in 1993, Let's Talk Science has engaged with more than 2.6 million children, youth, and educators across Canada. I met with this group earlier today, and we chatted about all of the amazing things the organization is doing for Albertan and Canadian students. We look forward to seeing them tonight, along with colleagues from the Legislature, at their reception. I'd like my guests, who are seated in the members' gallery, to please rise as I say their name: Dr. Bonnie Schmidt, president and founder; Sara Steers, director, external relations; and Michael Gingras, corporate account manager for Amgen Canada. Let's give them the traditional warm welcome of the Assembly.

**The Speaker:** The hon. Member for Edmonton-Beverly-Clareview, followed by Edmonton-Highlands-Norwood.

**Mr. Bilous:** Thank you very much, Mr. Speaker. It's my pleasure to rise to introduce to you and through to all members of the Assembly my guests, Anand Sharma and Gregory Clark. My guests are both members of the Canadian Condominium Institute northern Alberta chapter, or CCI. Anand has been elected as president of CCI north Alberta for three years in a row and is also a senior property manager for CS Management. Gregory Clark is a board member of CCI, since 2008, and is currently first vice-president. Both Anand and Gregory are here today to ask the government to put Bill 9 on hold until further consultation has taken place. CCI feels strongly that this bill falls short on protecting condominium owners. I would ask my guests to rise and receive the traditional warm welcome of the Assembly.

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

**Mr. Mason:** Thank you very much, Mr. Speaker. It's my pleasure today to rise and introduce to you and through you to all members of this Assembly my three guests, who are all part of my Edmonton-Highlands-Norwood constituency team. Susan Petrina manages the office. She's an active member of the community and has called Highlands home for 10 years, during which, among many other things, she served two terms as president of the Highlands Community League. Claire Edwards is my caseworker.

She's a former Assembly page and a third-year honours political science student, who has actively engaged in many youth organizations, including serving as chair of the City of Edmonton Youth Council. Marissa Majek is our placement student from the Grant MacEwan University social work program. I would ask Susan, Claire, and Marissa to rise now and receive the traditional warm welcome of the Assembly.

#### The Speaker: Thank you.

Hon. Member for Olds-Didsbury-Three Hills, I understand that your guests are not here yet, so we will move on to Edmonton-Meadowlark, followed by Grande Prairie-Smoky.

**Dr. Sherman:** Thank you, Mr. Speaker. Today I have two introductions. Firstly, I am delighted to introduce to you and through you to all members of this Assembly two passionate members of ACCD, the Alberta Committee of Citizens with Disabilities. They are Bev Matthiessen and Jackie Beaton. ACCD happens to be in Edmonton-Meadowlark. There are many reasons that persons with disabilities run into problems while visiting their local physicians' offices, so Bev and Jackie have meticulously developed drawings for optimum space use in examination rooms, change rooms, and entrances to medical clinics in order to accommodate people with all kinds of disabilities. I would ask them to rise and receive the traditional warm welcome of the Assembly.

Mr. Speaker, my second introduction is Helen McMenamin, a hard-working Albertan from southern Alberta. In fact, she almost became an MLA in one of the ridings in southern Alberta for the Liberals. I welcome Helen to the Legislative Assembly. Thank you, Helen.

The Speaker: The hon. Member for Grande Prairie-Smoky.

**Mr. McDonald:** Well, thank you, Mr. Speaker. I'm pleased to rise today to introduce to you and through you to all members of the Assembly a board member from the Northern Alberta Development Council, Mr. Andre Harpe. He has been a board member since 2009. He's in our members' gallery today. I'll ask him to rise and receive the warm welcome of our Assembly.

The Speaker: Thank you.

#### 1:40 Members' Statements

**The Speaker:** Hon. members, we have two minutes each for our statements. Let us begin with Lethbridge-West, followed by Cypress-Medicine Hat.

#### **Antelope Hill Provincial Park**

**Mr. Weadick:** Thank you, Mr. Speaker. I rise today to recognize the act of a great and generous Albertan. Gottlob Schmidt, a retired farmer near Hanna, gifted his homestead of 380 hectares to the people of Alberta. This is a most generous offer, and I am challenged to adequately express in words the appreciation of this wonderful and unselfish act. Mr. Schmidt donated his land to the people of Alberta for their use and enjoyment. The land is home to a healthy ecosystem that supports rare native grasslands and unique wildlife species. It is an unbroken landscape of majestic rolling hills and wetlands stretching across a portion of the eastcentral prairie region.

As per his wish the land, recently established as Antelope Hill provincial park, will be managed to support conservation, preservation, and low-impact recreation use such as hiking. Mr. Speaker, hunting, off-highway vehicle use, and overnight camping will not be permitted within the park. It is the desire of Mr. Schmidt that the integrity of this land be maintained for future generations. Alberta will honour his request. The new park will open to Albertans after Schmidt has departed his homestead.

When the government announced the land donation last week, social media lit up with hundreds of messages of appreciation towards Mr. Schmidt. His donation has been called an incredible stand-up gesture; a legacy to our children, plants, and animals; and generous and forward thinking. Praise of Mr. Schmidt included heart of gold; a sweet, beautiful man; and inspiring. The thank you messages have been many, and it's evident Mr. Schmidt has touched the hearts of Albertans.

I can assure all Albertans that the province will be responsible stewards of his legacy contribution. This land donation not only advances Alberta's plan for parks by acquiring new lands for the purpose of conservation; it aligns directly with our government's mandate.

On behalf of our government I thank Mr. Gottlob Schmidt for his generous donation.

#### Heritage Savings Trust Fund

**Mr. Barnes:** Picture this: a trust fund that was on this very day at the \$200 billion mark. You know, that was a real possibility for the Alberta heritage savings trust fund when the act was given royal assent in 1976. It's now 2014, and what do we have to show for the tremendous natural resources this province has developed? Just \$17.4 billion, less than this fund was worth in the '70s. Albertans have been deprived of a trust that would ensure their prosperity if the price of oil dropped 40 per cent in just a few weeks. The resource revenues that were meant to grow this fund combined with annual compound interest on Alberta's capital were to be a lifeline for vital public services and future generations. This possible figure, \$200 billion, was attainable with just the initial deposit and could now have been reached if interest on the fund was just left alone and allowed to accumulate.

However, what we have seen is a government so fiscally irresponsible that it's put all this interest in with general revenues and used this money as part of general spending. The impacts of this are huge. This government has created so much generational debt that multiple generations will be required to pay back this current administration's spending. Right now we are approximately \$11 billion in debt. This will reach \$19 billion by 2016-17, Mr. Speaker, more debt than savings. If unchecked, this will inevitably mean more taxes and reduced services, something this government has already discussed. Either way we are asking future generations to accept less. The current status of this fund showcases one of the greatest examples of wealth squandering in Canadian history.

The Wildrose has a plan that will take 50 per cent of all future surpluses and save this asset for Alberta's future, and we would not raid this account for operational spending. Mr. Speaker, we have a plan to rebuild this fund and deliver good government.

**The Speaker:** The hon. Member for Fort Saskatchewan-Vegreville, followed by Vermilion-Lloydminster.

#### **Great Kids Awards**

**Ms Fenske:** Thank you, Mr. Speaker. Leadership is essential to building our province, and when we consider leaders, we typically think of adults. However, we should also pay mind to Alberta's young people. Young Albertans deserve to be recognized for

doing great things every day at home, at school, and in their communities, and that's why I'm pleased to remind Albertans that they still have a few hours to get their nominations in for the Great Kids awards. In May 2015 for the 15th year the province will present the Great Kids award to 16 children and youth for their outstanding determination, generosity, and compassion. Albertans between the ages of five and 18 can be nominated for selflessness, kindness, and courage.

For examples we need look no further than last year's recipients. One seven-year-old created a surprise package company, leaving surprise gifts on the doorsteps of those facing hardships. This included delivering homemade cards to three children who had lost their mother to breast cancer.

An eight-year-old recipient had more than 50 radiation treatments for eye cancer, and despite this she handed out lemonade to more than 2,000 volunteers during the flooding in southern Alberta.

The recipients and nominees are very well rounded, showing leadership in areas such as sports, volunteering, and the classroom. The awards are examples of how communities come together and celebrate the efforts of our young people. As a government we want to continue recognizing more young Albertans so we can share their inspiring stories.

Mr. Speaker, today I encourage all Albertans to nominate a child or youth for positively impacting our communities or the lives of Albertans. Albertans can find more information at www.greatkids.alberta.ca and nominate a young person. Now, the deadline is today, December 9, at midnight. For those of you who do best under deadline pressures, there's still time to get those nominations in, so please do it. Nominate a great kid today.

#### **Rural Health Care**

**Dr. Starke:** Mr. Speaker, in the past week there's been a lot of talk about hospitals in Alberta. Some are saying that we should close rural hospitals. Earlier this fall our Premier and Health minister asked me to examine rural health care along with an outstanding group of dedicated health care professionals and advocates, and our diagnosis was quite different.

Just like folks in cities, folks in rural Alberta get sick. They get hurt, they have babies, they contract infections, they get cancer, they suffer from mental illness, their organs fail, and at some point their earthly journey ends and they die. It's called being human. But shutting down facilities and forcing more rural Albertans to drive to big-city hospitals to access basic health services is not human. It's inhumane. And, no, our hospitals aren't as full as the ones in the big cities, but isn't the point to keep people healthy and out of the hospital? In my practice a pen full of sick feedlot calves or a kennel full of sick dogs had me asking: what am I doing wrong?

Rural Albertans have told us that their medical facilities have tremendous untapped potential and that they could take the strain off urban facilities. They're not talking about heart transplants or brain surgery. They understand that those have to be done at urban tertiary care centres. They're talking about everyday stuff and stuff that goes beyond the every day. They've told us about advanced orthopaedic rehabilitation that takes place in Daysland. They've told us about a clinic that's located in a repurposed space in a hospital, that has driven ER visits way down by stressing prevention. Where? In Vulcan. That's what they mean when they say: live long and prosper. Mr. Speaker, ambulance workers do patient rounds alongside the staff at a long-term care centre; they perform treatments and keep their skills sharp. It's all happening in Galahad, population 119. Mr. Speaker, we know that rural health care faces challenges, but closing rural hospitals is not the answer. The ingenuity of rural caregivers and community leaders is.

#### The Speaker: Thank you.

We have time for one more. Bonnyville-Cold Lake.

#### **Travel Insurance**

**Mrs. Leskiw:** Thank you, Mr. Speaker. The holiday season is fast approaching, and many Albertans will be travelling outside the province to visit family and friends in other countries or to simply get some much-needed hot weather and relaxation. We want Albertans to enjoy their holidays and not find themselves in a poor financial situation because of inadequate travel health insurance.

We've all heard stories of people who've travelled outside of Alberta and suddenly fallen ill. When these Albertans, who are accustomed to our universal health care system, try to access lifesaving services, they suddenly learn that they must pay out of pocket to receive care, and these fees can be astronomical. The Alberta health care insurance plan may provide only partial reimbursement for some health care services provided outside of Canada. That is why it's important for all Albertans to not only get travel insurance but ensure that they understand exactly what services are covered.

Our priority is to provide Albertans with high-quality care inside our province, but we cannot cover all medical costs incurred outside the country. Before leaving the country, Albertans should make sure they understand what the Alberta health care insurance plan covers outside of Alberta and what it doesn't, purchase travel insurance and fully understand the coverage, and pack their personal health care card, travel insurance documents, and the emergency contact number for their travel insurance.

I encourage all Albertans to purchase travel medical insurance before they travel out of our country. We don't want Albertans to have their holiday ruined by having to pay out of pocket for unexpected health issues and very expensive medical services.

Thank you, Mr. Speaker. I hope everybody enjoys their holidays.

#### 1:50 Oral Question Period

**The Speaker:** We are reminded that we each have 35 seconds. Let's start with the hon. Leader of Her Majesty's Loyal Opposition.

#### Long-term Care Beds

**Ms Smith:** Mr. Speaker, the Health minister, the Seniors minister, and AHS were in front of the Public Accounts Committee today. Albertans know that seniors' care in Alberta is a mess, but what we heard today was truly eye-popping. In the face of all of the evidence that this province has a serious shortage of long-term care nursing beds, an AHS executive actually said that we have an overcapacity of long-term care nursing beds. Can anyone over there tell us how Alberta Health Services could get it so wrong?

**Mr. Mandel:** Mr. Speaker, I think the individual was referring to different parts of the province that might have a few too many beds. Long-term care beds can be used by anyone, so having too many long-term care beds is good because we can move people up and down in the service level. So I think it's a positive thing, even though I believe the question was a bit misunderstood.

Ms Smith: That's a very generous interpretation, Mr. Speaker.

**Mr. Mandel:** I thank the hon. member for the question. Obviously, there is a process under which we look at and review through professionals the calibre of care individuals need. In this government and in AHS that's the foundation. We'll make sure that people get the right kind of care in the right kind of facility, and we will continue to do that, Mr. Speaker.

**Ms Smith:** Oh, Mr. Speaker, if only that were so. Anyone with any common sense knows that if you move patients who need long-term care into supportive living care, they will just end up in our already overcrowded emergency wards and in our acute-care beds in our hospitals, ambulance times will suffer, patients will get lesser care, and since acute-care beds cost so much more than long-term care nursing beds, the taxpayer will be hurt, too. Will the minister commit to killing this bad idea right here, right now?

The Speaker: The hon. minister.

**Mr. Mandel:** Thank you, Mr. Speaker. Earlier this year the Premier and I put forward a program of trying to create more long-term care beds for those people living in acute care. We'd now like to report that we have 160, one-third of the beds that we promised for this period of time, already open and operational. So we're quite pleased with that. At the same time, we will ensure that every Albertan who needs long-term care or who needs care will be in the right kind of facility they need to be in. We're passionate about that, just like I know the hon. member is.

The Speaker: Second main set of questions. The hon. leader.

#### Seniors' Advocate

**Ms Smith:** Thank you, Mr. Speaker. Our health care system is continuing to let Alberta seniors down, but we will always fight to see that they get the services and the protection that they deserve. One of the ways we have suggested that the government could improve services for seniors is to have an independent Seniors' Advocate who would be able to access government and AHS files and stand up for seniors. Now, the old management didn't want an independent Seniors' Advocate, but will the new management show that they are different by creating a truly independent Seniors' Advocate?

**Mr. Prentice:** Well, Mr. Speaker, let me just say, firstly, that the matters that are being raised by the hon. member are important to the government, important to the minister who has spoken, and they're very important to me as the Premier. I've lived through these circumstances in my own life with my own parents for the last 15 years of my life. It is difficult for all Albertans.

I don't think the answer is more bureaucracy. I don't think the answer is that we have advocates. I think the answer is to get the job done. That's why we have a Seniors minister who can speak to the specifics. That's why we're focused on making sure that we have the continuing care beds that we need for the people who are important to us, our parents. The Speaker: First supplemental.

**Ms Smith:** Thank you, Mr. Speaker. Since we already have a Seniors' Advocate, we are just asking that they be allowed to do their job more effectively.

Here's what the Auditor General has said about the Seniors' Advocate. "The seniors advocate does not have a mandate to compel facilities or AHS to take action or provide detailed information related to concerns raised by residents." Mr. Speaker, if an advocate cannot advocate or shine the light on concerns, the office is essentially useless. Why won't the government create an actual, real, independent, and meaningful Seniors' Advocate that can shine the light on problems and help improve the system?

**Mr. J. Johnson:** Mr. Speaker, we want a Seniors' Advocate that can be as efficient as possible, just like every department within government and every role within government. That's why it was established here this last year. If there are ways that we can look to make that more efficient and the Seniors' Advocate can serve seniors across the province and can serve Albertans, then we're open to looking at those. The primary role that that advocate plays now is one of navigation to help seniors and their families as they need to navigate the system and get questions answered.

**Ms Smith:** Mr. Speaker, I will quote the minister on that, too, because this is exactly what the Auditor General said as well. He said that the role of the Seniors' Advocate is "primarily to educate residents and their families and help them navigate through the system." What we have here seems to be more of a seniors' tour guide than an advocate. If the system is broken and the government won't do anything to fix it, how does navigating through a broken system actually help our seniors?

**Mr. J. Johnson:** Mr. Speaker, I think that's hardly a fair characterization. We've got incredible people across this province and incredible providers from faith-based and nonprofits to even some of the privates that do incredible work with our seniors. To characterize the work that they're doing as broken is, I think, an incredible insult. We want to continue to try and do a better job of everything, but the Seniors' Advocate does have the authority to call for investigations and do a lot of very good work. If we can build on that, if we can make that more effective, we're more than game to do that, and we'll look to do that in the new year.

The Speaker: The hon. Member for Calgary-Fish Creek.

#### Long-term and Continuing Care Standards

**Mrs. Forsyth:** A year and a half ago this government promised change for seniors in care. On March 5, 2013, the former Minister of Health announced that continuing care residents will receive a minimum of two baths a week effective immediately. The minister said: "It is an issue of dignity." This morning at Public Accounts we learned that this dignity is still being denied to Alberta seniors. Officials admitted that a number of seniors in care were still not even being offered two baths a week. Can the minister explain why a year and a half after the government promised seniors their dignity, they're still not getting it?

The Speaker: The hon. Minister of Health.

**Mr. Mandel:** Thank you, Mr. Speaker. As we indicated this morning, well over 80 per cent of the facilities are compliant with the two-baths option, and by the end of the year we will have 100 per cent compliance. Two baths a week is an option if appropriate.

We have to look at what is appropriate for the care. The only rule is: whatever is appropriate based on the care plan. The care plan as outlined by the Auditor General was the one that determines how we deal with the individual. So that's how we do it.

**Mrs. Forsyth:** Minister, we're talking about hundreds of seniors that still aren't getting baths. Come on, please.

Minister, this is about dignity. Your government is failing to enforce the standards that you yourself have set for the most vulnerable people in our province. A year and a half ago we were told that seniors could access two baths per week immediately, in fact. The Minister of Seniors at the time said: "I want to stress that two baths is a minimum." If a resident requires more, "they will receive more." It turns out that that's not actually happening. Minister, this is a broken promise. What are you going to do about it?

**Mr. Mandel:** Mr. Speaker, we've committed to ensuring that all of our individuals living in long-term care facilities will be properly taken care of. Whatever that requirement is, we'll make sure we do it. We care passionately about people. We'll continue to do that. Right now the policy is that those who need two baths a week will have two baths a week. We wish it had been done sooner, but it will be done by the end of this month. This is the 9th; that's 22 days.

**Mrs. Forsyth:** Mr. Speaker, we're talking about a year and a half. These seniors have been waiting for baths. The new management has failed to follow through on a promise made to Alberta's most vulnerable. It failed to provide even the dignity and basic compassion of two baths a week to seniors in care. It's shameful. Albertans were promised better, and actually they deserve better.

The Department of Health began updating the continuing care health service standards three years ago, and the Auditor General says that it's still not complete. We have the old standards being ignored and the new standards in limbo. Minister, can you look Albertans in the eye and tell them that you've made progress?

**Mr. Mandel:** Mr. Speaker, with the co-operation of the Seniors minister and with the support of the Premier we have made great strides in ensuring that our seniors community who are in the facilities that we either sponsor or own are taken care of incredibly well. They are unbelievably valuable to us. They are our parents, our cousins, our family members. We care deeply about them, and to insinuate that we wouldn't take care of them properly is not accurate.

The Speaker: The hon. leader of the third party.

#### 2:00 Government Accountability

**Dr. Sherman:** Thank you, Mr. Speaker. To usher in his so-called era of new management, the Premier promised a review of all agencies, boards, and commissions. The previous regimes promised the same thing. Premier Stelmach ordered a review of ABCs. Premier Redford had a results-based budgeting scheme. Yet after all these internal PC reviews, Albertans still aren't sure where all their money is going. Alberta Liberals have called for an independent audit to get to the bottom of this, but the PCs have refused. To the Premier. You promised that a performance report on Alberta's key financial institutions would be completed by now. Where is the report, what did it say, and what are the results?

**Mr. Prentice:** Well, as the hon. member is alluding to, I made it very clear, Mr. Speaker, as Premier that all of the agencies,

boards, and commissions of the Alberta government would be put through a review. We began – the hon. member is quite correct – with the financial agencies of the government of Alberta, including agencies such as AIMCo, the board of directors of Alberta Treasury Branches, and others. I'm expecting the recommendations from the independent panel, that was appointed, within the next week or so. Those certainly will be made public, and we'll proceed on the basis of the advice that we're given.

**Dr. Sherman:** Mr. Speaker, the Premier said that he was forming a Premier's advisory committee on the civil service to make meritbased appointments that ensure that the right people are in the right jobs. That committee is co-chaired by one Mr. Ian Brodie, former chief of staff to Prime Minister Harper and former executive director of the Conservative Party. In his bio Mr. Brodie brags that he recommended candidates for more than 1,000 cabinet-appointed positions. Wow. Again to the Premier: how is hand-picking a clearly partisan individual to oversee appointments not the very opposite of ensuring that decisions will be made based on merit, unless your idea of the right person is a Tory insider?

**Mr. Prentice:** Mr. Speaker, that's quite a stretch. Mr. Brodie is a respected Albertan. He did a tour of duty as the chief of staff to the Prime Minister of Canada, acquitted himself with real distinction in the time that he was there. He co-chairs this particular advisory panel. I would point out that the other co-chair is Oryssia Lennie, who is one of the most respected civil servants in our province's history, someone who's been a deputy minister provincially, federally, well known and well respected for her integrity. These are the kinds of people whose advice we need if we're going to build a quality civil service.

The Speaker: Final supplemental.

**Dr. Sherman:** Thank you, Mr. Speaker. Well, since the Premier and the Prime Minister are such close friends, I'd like to remind him that his former boss said that a public appointments commission was an important step towards a more open, honest, and accountable government for Canadians. Presumably, the Premier, who was then part of the inner cabinet circle, agreed. Actions speak louder than words. So far all we've seen out of this new-management Premier is one political appointment after another. To the Premier: will you please take real steps to prevent patronage by letting an independent commission manage the public appointments process in Alberta – yes or no – and if not, why not?

**Mr. Prentice:** Well, Mr. Speaker, I think that the hon. member was working himself up to congratulate the government on the selection of two very distinguished Albertans to chair the public service advisory committee because these are capable people with lifetimes of experience around government. We are interested in renewal of the civil service, the professionalism of the civil service, a strong working relationship between the professional civil servants we have and people who are in elected office. This is where we will get the advice of excellent people. I thank the hon. member for his interest. I can't comment on matters of federal jurisdiction.

#### **Provincial Fiscal Policies**

**Ms Notley:** Mr. Speaker, call it a bitumen bubble or a price trough, it's all code for the same thing: another Tory budget full of broken promises. In 2011 Ed Stelmach's council for economic

strategy warned that too much program spending was coming from royalty revenue. My question is to the Premier. You've had years to get off this royalty roller coaster so that public programs will be protected, not cut, so why should Albertans trust your government now when it has done nothing but fail consistently year after year after year?

**Mr. Prentice:** Well, Mr. Speaker, I've actually had about 90 days. I am working on it. I think it's fair to say that people world-wide have been surprised by the drop in energy prices. This is a significant issue for our province. It is a time for caution and discipline in our public expenditures. I spoke about this today to the Edmonton Chamber of Commerce, assured Albertans that Albertans are tough and resilient. They expect in these circumstances that their government will be disciplined, conservative-minded. That's what we intend to bring to the public finances.

**Ms Notley:** Well, Mr. Speaker, it's only been 90 days if the whole caucus over there is suffering from collective amnesia.

Now, today the Premier's speech included at least five different ways of telling regular Albertans that they and their families will experience tough times through cuts as his government scrambles to fix its multidecade's record of mismanagement yet not one word about fair taxes for the most wealthy and the most privileged. To the Premier: why won't you deliver a similarly conservative and prudent message to your well-heeled friends and insiders and axe the flat tax?

**Mr. Prentice:** Well, Mr. Speaker, I'm encouraged that the hon. member and the leader of that party is concerned about taxes and fiscal matters. This is progress. In terms of moving forward, we have the most competitive tax regime in the country. It's something that we're proud of. Many call it the Alberta advantage. It is a fair system of taxation. The flat tax in particular has many strong advocates. But I make the point that this is a competitive advantage which we have as a province. We're mindful of that. We're focused on discipline and being cautious and protecting that advantage.

**Ms Notley:** Well, Mr. Speaker. It's not fair. Tax cuts brought in since 2001 have only benefited the wealthiest Albertans. Middleincome families pay more than in B.C. and Ontario while corporations and the most wealthy have the lowest taxes in the country. But when the price of oil drops, the government circles the wagons around tax holidays for their friends and insiders while cuts are made to services that middle- and lower income Albertans depend on. So to the Premier: why are you once again expecting average Albertans to pay the price for this PC government's failure to get off of the royalty roller coaster?

**Mr. Prentice:** Mr. Speaker, just to be clear in terms of the public record, Albertans enjoy a competitive tax advantage over any other jurisdiction in this country. It is true. It is true in terms of sales tax. It is true in terms of personal income tax. It is true in terms of gasoline tax. It is true, essentially, in terms of the health care situation. It's true across all of the levels of taxation that Albertans pay. So this is something that is part of the competitive advantage that we enjoy as a province. We face very serious fiscal circumstances – I've made that very clear – but abandoning the tax advantage that we have is not part of the solution.

**The Speaker:** Let us reduce our preambles to supplementaries or eliminate them completely, starting with Calgary-Shaw.

#### PDD Service Changes

**Mr. Wilson:** Well, thank you, Mr. Speaker. Last week the minister of PDD said in this House:

PDD transformation is [all] about the individuals. It's about their needs, their goals, and their aspirations. As a government we will continue to make sure that their needs are met in a very consistent and timely manner.

It all sounds so nice. As a result of the PDD transformation, though, the new process to determine supports requires assist assessment, in-depth support planning by PDD, and meetings that can take months to arrange, resulting in delays during which vulnerable people are left with no supports. So can the minister clarify what he considers timely?

The Speaker: The hon. associate minister.

**Mr. Bhardwaj:** Thank you very much, Mr. Speaker. This government is focused on ensuring that every Albertan enjoys the best quality of life. There are three factors when we're talking about funding. SIS, supports intensity scale, is an interview which is used for the support an individual needs to be successful. It's about their needs, about their goals. It's about their aspirations. The second thing that is used is geographical location, which is used when determining funding; and thirdly, the natural supports that individual has to be successful.

Thank you, Mr. Speaker.

**Mr. Wilson:** Mr Speaker, I'm not so sure the minister heard the question, so I'll make it very, very simple. What does your ministry consider to be a reasonable amount of time from when an individual contacts the PDD system asking for support and, assuming they qualify, starting to receive it?

#### 2:10

The Speaker: The associate minister.

**Mr. Bhardwaj:** Well, thank you very much, Mr. Speaker. Once the individual contacts the department, once the assessment has been made, the services start almost fairly quickly. In the PDD system we serve more than 10,000 people, and there is a process which is used to determine the funding. When we look at the overall success rate, less than 5 per cent of the people ask for reassessment. Out of 10,000 people, which we're serving in PDD alone, about 450 people ask . . .

#### The Speaker: Thank you.

**Mr. Wilson:** We got our answer, Mr. Speaker. It's "almost fairly quickly."

The tragic death of Betty Anne Gagnon was an example of someone who was known to the PDD system but not receiving the supports that would have ensured that someone saw her and intervened on her behalf. Vulnerable Albertans are being left waiting for this government to act, and there does not seem to be any sense of urgency in ensuring that the needs of these individuals are being met. Minister, will you commit to setting timelines around determining support and hold your ministry accountable for meeting them?

**Mr. Bhardwaj:** Mr. Speaker, as we go through the process, there are absolute timelines in place to make sure that Albertans get the care they deserve, make sure that they are safe, and make sure that they are in a caring environment.

Thank you very much, Mr. Speaker.

#### **Provincial Fiscal Position**

**Mr. Jeneroux:** Thank you, Mr. Speaker. As the price of oil continued to plummet last week, the Finance minister was meeting with chief economists from across Canada. I've got to say that I received a lot of calls from residents of Edmonton-South West on yesterday's drop to \$63 oil. This morning it's continued to \$62. To the Minister of Finance. This is looking and sounding a lot like the 2008-2009 financial crisis, plain and simple. Is your department expecting a repeat, and are we heading into a recession?

**Mr. Prentice:** Well, Mr. Speaker, as the Minister of Finance has indicated, we are going to make some tough decisions in regard to our upcoming budget, based on sound, conservative fiscal principles, as I've spoken about in this House. That work is under way right now, at this point in time, but no decisions have been made at this point relative to next year's budget. Our main priority is actually focusing on the current fiscal year and the reality of \$63 oil, the WTI price that we witnessed yesterday. All ministers certainly have been advised that there will be no new spending for the rest of the year and that they must find savings within their budgets. This is conservative budgeting in practice.

#### The Speaker: First supplemental.

**Mr. Jeneroux:** Thank you, Mr. Speaker. Given that the Premier and the Finance minister have repeatedly spoken about the need for a disciplined approach to spending and given that we in Edmonton-South West need our schools, can the Premier outline any immediate measures that this government will take to restrain spending? I'm hoping that this doesn't affect the projects in my area.

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

**Mr. Campbell:** Well, thank you, Mr. Speaker. That's a great question, but I think it's important to understand that we do have some serious challenges ahead of us, with oil dropping as far as it has over the last 10 days. I can say to you that this government is looking towards making sure that we look after our operating expenses, and we're also going to make sure that we look after our capital expenses. I think it's important to understand that while oil revenues have dropped, the economy of this province is still growing, so we still have the challenges of people coming to this province. We'll have to find that balance between looking after our operating expenses and making sure that we build the schools that are needed moving forward.

#### The Speaker: First supplemental.

**Mr. Jeneroux:** Thank you, Mr. Speaker. Back to the Minister of Finance: given that you say that all of us across Alberta will need to be aware of this pending financial situation and the continued drop in oil, what action is the government and specifically your department taking immediately to be fiscally responsible?

**Mr. Campbell:** Well, Mr. Speaker, as the Premier said earlier, we have made sure that there will be no new spending. We have told all our departments that they have to find any monies within their existing budgets. We'll be moving forward with very prudent and very fiscally responsible prices for oil, coming out in next year's budget. In talking to chief economists on Thursday, they told us that oil is going to be between \$70 and \$75 for at least the next

three years out. I think that all Albertans need to know that. We'll be making sure that we're very responsible with our operating expenses based on those numbers.

#### The Speaker: Thank you.

The hon. Member for Highwood, followed by Little Bow.

#### **EcoAg Initiatives Environmental Compliance**

**Ms Smith:** Thank you, Mr. Speaker. Some years ago the government approved and partially funded a project in my riding by a company called EcoAg, that is supposed to turn agricultural waste into high-quality compost. The project appears to be a failure, and the firm has been repeatedly fined for excessive waste at their facility. This poses health risks to the livestock in surrounding areas, and it poses a massive risk to groundwater. The firm has been under compliance orders to ensure water protection, but neighbours report that things are not improving. Why has the government failed to protect the environment, especially our groundwater, on this spot?

**Mrs. McQueen:** Well, thank you for the question. Mr. Speaker, the groundwater in this province is extremely important. That's why we do the mapping, and that's why we have strict regulations. All of that is important for this government. If there are instances where faults are happening with the environment, we will be there and will make sure that it is protected.

**Ms Smith:** Mr. Speaker, EcoAg is years past the date they said that they would be operational. Waste continues to be trucked in, but very little is being processed. This needs to stop. The stored waste material either needs to be reclaimed properly, or the facility needs to get up and running to reduce the material on-site by having it properly processed in a biogas reactor. What is the minister going to do to fix this mess and protect our environment?

The Speaker: The hon. minister.

**Mrs. McQueen:** Thank you, Mr. Speaker. It's very important that this situation is taken care of properly. We will be talking with the minister of environment when he gets back so that he can be made aware of it as well. If there are things that are not happening, to make sure that it's working properly, we'll look into it for the hon. member.

**Ms Smith:** I hope that's the case, Mr. Speaker, but this is not the first time this question has been asked.

EcoAg has been an environmental and economic wreck using taxpayers' money. Also, the government can claim to have done something about the environment, but what's really happening is that groundwater has been polluted, taxpayers' money has been wasted, and neighbouring properties have been devalued. Now, the Premier claims that he wants to protect property rights. Will the government compensate EcoAg's neighbours for their legal costs in fighting this boondoggle, that should have been addressed years ago?

#### The Speaker: The hon. minister.

**Mrs. McQueen:** Well, thank you, Mr. Speaker. As I have said, we make sure in this province that in the south and in the north – and we'll continue with the rest of the province – we're doing groundwater mapping. It's very, very important for us to make sure that groundwater mapping is done. As I have said, when the minister is back, we'll have him look into this file.

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

#### **Fusarium Head Blight**

**Mr. Donovan:** Thank you, Mr. Speaker. This spring the hon. Member for Barrhead-Morinville-Westlock brought forward Bill 201, Fusarium head blight. It was sent to the committee and had some very valuable discussion this summer. My question is to the Minister of Agriculture and Rural Development. What happened to the report, and when will it be tabled?

The Speaker: The Minister of Agriculture and Rural Development.

**Mr. Olson:** Thank you, Mr. Speaker. I thank the member for the question. The hon. member is correct. The matter was referred to a standing committee. The bill died on the Order Paper, but in the meantime the standing committee did their report, they tabled their report this past summer, and it is actually available on the committee's website.

**Mr. Donovan:** To the same minister: given that the seed growers have already cleaned their seed for next year, when will this department come up with a timeline for seed growers to be able to keep the economic advantage in this province?

**Mr. Olson:** Mr. Speaker, this is an interesting issue because there are very strong feelings on both sides of this issue, depending upon what part of the province you go to. The committee itself recommended that we do not relax the zero-tolerance rule that we now have, but they also recommended that there be a further review. That review is happening. If you go to the north part of the province, there's a very strong feeling that we should not relax the rule, and if you go to the south of the province and you talk to our seed growers, they feel exactly the opposite. So it's a very delicate question.

**Mr. Donovan:** To the same minister: with best management practices already in place for seed growers to deal with the Fusarium – and we're already doing mandatory testing – when will this minister look at the tolerance level that the industry is asking for?

**Mr. Olson:** Well, first of all, it may not be entirely accurate to say that the industry is asking for it. I do also note that our service boards and our AAMD and C have also said that they prefer to leave it as the status quo, but this is damaging for our seed growing industry. We are looking for some resolution, and one of the things that has been recommended that we look at, which we are considering, with no decision having been made, is a regional approach. I am awaiting a report from my Fusarium Action Committee, and we can expect perhaps some further steps to be taken in the early new year.

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

#### 2:20 Seniors' Care

**Dr. Swann:** Thank you, Mr. Speaker. Health care continues from crisis to crisis, with worsening hospital overcapacity, unacceptable emergency room risks to both patients and staff, severe quality and access problems in long-term care, and inadequate community home care. Given that staff today in Public Accounts admitted that there is no process to evaluate home care, especially privately contracted home care, which is out of the purview of the Auditor

General, to the Health minister: how is it possible that in 2014 we have no idea what's happening to tens of millions of dollars in home care?

**Mr. Mandel:** Mr. Speaker, we do evaluate. We make sure that the services are delivered in an effective way. We have good, competent people doing it. We want to make sure that all people are taken care of. Home care is a bit more difficult than having a single facility like a long-term care facility, but we are making every effort to ensure that services are delivered properly and effectively.

Dr. Swann: So 2014 and no evaluation framework. Stunning.

Given the Parkland report From Bad to Worse on long-term care, showing that the return on investment for private long-term care residential is 9 per cent on average, higher than the stock exchange, and that for-profit facilities fell short in staffing levels compared to public services, when will you ensure that quality in staffing in private, for-profit long-term care meets the provincial standard?

**Mr. Mandel:** Mr. Speaker, we have standards, which everyone must meet. We inspect them. All year long we go out to facilities and ensure that the people are properly taken care of. It is a priority of this government to continue to do that, and we always put the patient and the resident first.

**Dr. Swann:** Again, in Public Accounts today, Mr. Speaker, it was revealed that there is still no process for reviewing long-term care patient care plans. When can we expect to see an appropriate evaluation of individual care plans in this province?

**Mr. Mandel:** Well, Mr. Speaker, the Auditor General in his report indicated that one thing we need to do better is to have more long-term care plans, and that's what we're trying do. We're working with the Minister of Seniors to ensure that long-term care plans are put out for every individual. That will help us determine the kind of care they need. I would hope that we'll continue to do that, and I applaud the Minister of Seniors for making sure that happens.

**The Speaker:** The hon. Member for Edmonton-Calder, followed by Strathmore-Brooks.

#### Long-term Care Beds (continued)

**Mr. Eggen:** Well, thank you, Mr. Speaker. This morning a senior government official actually told Public Accounts that we have too many long-term care beds in Alberta. Maybe he should say that over 1,000 Alberta families actually are waiting for long-term care beds for their loved ones or that 700 of those are waiting for an acute-care bed. To the Minister of Seniors: will you explain to those families how you have lowered the standards of care so that a shortage of long-term care beds has magically turned into a surplus?

**Mr. J. Johnson:** Mr. Speaker, the question on long-term care is best directed to the Minister of Health, but I can elaborate on the discussions that happened this morning. I was in that room, and I recall the department official talking about an overcapacity in the province in general but recognizing there are shortages across the province, just like we have in education. We have an overcapacity of classrooms and schools and space, but we don't all have those in the right communities. So we have a real issue, that the Premier

has identified, that we are addressing and we are investing in, and that's to make sure that we have space for our parents and our grandparents.

**Mr. Eggen:** Well, Mr. Speaker, given that just last month we heard about a woman who developed a fungus on her body after busy, overworked staff were not able to bathe her frequently enough and given that these stories have become all too familiar to Albertans as this PC government continues to downgrade every aspect of seniors' care, to the Minister of Seniors: why won't you commit to providing the level of care our seniors actually need, not based on attempts to penny-pinch but based on the inherent respect and dignity of Alberta's seniors?

**Mr. Mandel:** Mr. Speaker, I don't want to speak about individual cases, but in that individual case Alberta Health Services jumped on it right away. It was a problem; they dealt with the issue. Care for every one of our seniors in every one of our facilities, as I've indicated throughout today, is very important. Our parents, our grandparents are precious to all of us, and we will continue to do the best job possible in this province. We make sure that people get the best care, some of the highest level care in this country. We do more than other provinces as far as giving care in this province.

**Mr. Eggen:** Mr. Speaker, given that this PC government is determined to continue their smoke-and-mirrors exercise of downgrading care so that fewer seniors get the full nursing care that they require and given the fact that in Alberta today we have the second-lowest number of long-term care beds in the entire country, to the Minister of Seniors: do you honestly think that our health care system has too many long-term care beds and that it is acceptable to abandon and neglect seniors, who are being shuttled off to lower grade care at exponentially higher monthly rates at private facilities?

**Mr. J. Johnson:** Mr. Speaker, I think this government under this Premier has demonstrated very clearly that we have a priority on seniors. We believe that there is a need for more spaces and that there is a need for more long-term care, but there's also a need for more supportive living. One of the focuses of this government is to make sure that people can age in their community, the communities that they helped build with their families. By just building long-term care, by just having long-term care without the supportive living, without the dementia unit so people can age in place and beside their spouse in the same facility as their spouse, you're going to split up spouses, and you're going to send them to the next community. That's not a priority of this government. That might be what the opposition would like to see us do, but the Premier has mandated that we want to put an end to that.

#### The Speaker: Thank you.

The hon. Member for Strathmore-Brooks, followed by Lesser Slave Lake.

#### **Energy Company Licensee Liability Rating Program**

**Mr. Hale:** Thank you, Mr. Speaker. Last year I raised the issue about the licensee liability rating program; namely, how this government drastically increased the amount required to be paid by each oil and gas company. The result was that many junior producers are being pushed into bankruptcy. Now with oil prices hitting a low of \$63 a barrel, there are guaranteed to be some wells shut in, hopefully temporarily, which will increase their liabilities. To the Minister of Energy: can you assure this House that the

AER will not repeat its actions and suddenly force large deposits to be paid?

The Speaker: The hon. Minister of Energy.

**Mr. Oberle:** Well, thank you, Mr. Speaker, and I thank the hon. member for the question. The licensee liability rating system was brought into effect to ensure that the Crown would not be responsible for the reclamation and abandonment costs of wells put in place by industry. I think the principle still exists today. We are aware that in this price environment that may put pressures on companies, and we're looking at it.

The Speaker: First supplemental.

**Mr. Hale:** Thank you, Mr. Speaker. Actually, the other companies are required to cover the costs of the abandoned wells' reclamation.

Given that the LLR was created to protect Albertans from the responsibility of the abandoned wells' reclamation and given that the program was created at a price of \$95 a barrel and was still unmanageable for some, to the Minister of Energy: what options has the government explored to avert another disaster?

**Mr. Oberle:** Well, Mr. Speaker, I thought that's what I said, that the public is not responsible for the reclamation and abandonment costs, that the companies are. The cost of reclamation isn't dependent on the price of oil. It's dependent on the cost of reclamation and abandonment, and somebody has to pay for it. Now, the member knows very well that we have put a financial management regime in place that allows the companies to build their securities over time. The government of Alberta or the taxpayers of Alberta are not going to be responsible for industrial cleanup.

**Mr. Hale:** Mr. Speaker, given that through our and the affected companies' advocacy last year the AER created the LLR management plan, which implemented more realistic and manageable payment plans for junior producers, and given that junior producers employ many Albertans, will the minister preemptively look into this situation and ensure that the plan will responsibly balance each company's liability with their access to capital in these tough times?

**Mr. Oberle:** Well, now the member likes the program, Mr. Speaker. I'm happy to hear that.

Yes, we are, in fact. I've been made aware by a couple of companies that they have issues. We talk to companies all the time. I told him in the first answer that we're looking at it right now.

**The Speaker:** The hon. Member for Lesser Slave Lake, followed by Cypress-Medicine Hat.

#### **High Prairie Health Services**

**Ms Calahasen:** Thank you, Mr. Speaker. The surrounding area of High Prairie suffers from a heavy chronic disease burden. In fact, it is the fourth highest in Alberta. Because of this, dedicated and specialized medical care is required for the well-being of the residents. To the Minister of Health. The idea of a community health and wellness clinic is being contemplated to fulfill the emergency health needs of the High Prairie residents. Does this clinic have the support of your ministry?

The Speaker: The hon. minister.

**Mr. Mandel:** Thank you, Mr. Speaker. Let me first say that we're thankful for the care all physicians and health care professionals provide to High Prairie residents. This clinic is good news for the community, and we support it. It was developed in collaboration with multiple stakeholders in High Prairie. The community health and wellness clinic's two physicians, who had previously indicated that High Prairie was not the top choice for their options, decided to come and begin to practise in High Prairie. The goal of the clinic is to provide a robust, interprofessional team, including physicians, nurses, dietary, exercise therapy, social workers, addiction and mental health...

#### 2:30

The Speaker: Thank you.

**Ms Calahasen:** To the same minister – sorry you didn't get to finish – given the fact that 12 doctors have left High Prairie in the last five years, would the minister be willing to work with physicians on a different compensation model, other than a traditional fee for service, so that we can keep doctors in High Prairie and ensure our residents get quality of care?

#### The Speaker: The hon. minister.

**Mr. Mandel:** Thank you, Mr. Speaker. We want a compensation model that works for both the communities and the physicians. That's an important balance. So we'd be happy to work with the physicians on whatever type of compensation model they'd be interested in. It's not always as easy as one would think. This could include development of an alternative relationship plan using compensation models such as salary, blend of salary and fee for service, or capitation. That's a fixed payment per capita.

The Speaker: Thank you.

**Ms Calahasen:** To the same minister: regardless of what clinic a physician in High Prairie works in, will their patients be able to access the services at the wellness clinic?

#### Mr. Mandel: Yes.

#### Health Care Accessibility

**Mr. Barnes:** Mr. Speaker, I am a true supporter of local radio. I enjoy listening to the news of the day, call-in segments, and hearing about the lovely weather in southern Alberta. However, listening to the radio recently in Cypress-Medicine Hat has begun to trouble me. Many residents in southern Alberta are being enticed by advertisements from south of the border to use American hospitals for surgeries. The lengthy wait times faced in Alberta are driving people away. To the Minister of Health: are you concerned about Albertans going south?

**Mr. Mandel:** Mr. Speaker, Albertans have an option to do what they want to do. We have a publicly funded public health care system that's outstanding. We'd encourage every Albertan to use our system. But this is a free country. They can do what they'd like to do.

The Speaker: First supplemental.

**Mr. Barnes:** Thank you, Mr. Speaker. If people are leaving this country to access health care, there is clearly something wrong.

The new Medicine Hat hospital will improve services in southeastern Alberta. I welcome the new facility. However, this government failed to add capacity so this new facility could help more people. To the minister: with 61,000 people in Medicine Hat and \$250 million to \$300 million being spent on this project, why didn't you add any new beds?

**Mr. Mandel:** Mr. Speaker, the evaluation was done; the decision was made; over \$200 million was spent. The hospital obviously needed upgrades, and we're glad we could support Medicine Hat and the residents of Medicine Hat. They're a vital community, very important to the province of Alberta. I hope the people of the region use that facility.

The Speaker: Final supplemental.

**Mr. Barnes:** Thank you, Mr. Speaker. Given that this government spends 44 per cent, or \$19 billion, on health care annually and outcomes do not reflect the cost, what is your strategy to reduce wait times so Albertans don't have to go to Montana?

**Mr. Mandel:** Mr. Speaker, wait times are a major priority for this government, and we're doing a variety of things: better access to home care, setting up better access through emergency departments, and our programs with an adjustment in acute-care beds to move them into long-term care. We're doing lots of things. This is a very, very fast-growing population, a hundred thousand new people every year. We're a province that's growing dramatically, and that puts tremendous pressure on the system. We continue to work to try to find solutions. It's not easy, but we will do it.

**The Speaker:** The hon. Member for Calgary-East, followed by Cardston-Taber-Warner.

#### Autism Spectrum Disorder

**Mr. Amery:** Thank you, Mr. Speaker. As a follow-up to my member's statement yesterday, autism spectrum disorder is a complex, lifelong developmental disability that affects a person's communications, social interactions, behaviours, and perceptions. Many families in Alberta are having a tough time caring for their autistic child because of the emotional and financial strain. I have received calls from constituents so stressed about what supports there are for their loved ones with autism. My question to the hon. Associate Minister of Persons with Disabilities: why are my constituents and others finding it so difficult to comb through the maze of . . .

The Speaker: The hon. associate minister.

**Mr. Bhardwaj:** Well, thank you very much, Mr. Speaker. Our FSCD program has one of the best supports in the country when it comes to providing services for children with autism. Out of the 10,000 we serve in PDD, 35 per cent of them have autism. We're making every effort as a government. We're meeting their needs consistently and in a timely manner.

Thank you.

The Speaker: First supplemental.

**Mr. Amery:** Thank you, Mr. Speaker. Given that individuals over 18 with ASD do not have many disability supports or programs available to them and they still need access to supports to assist them in various elements of their daily lives, what is the minister doing about that?

The Speaker: The hon. associate minister.

**Mr. Bhardwaj:** Well, thank you very much, Mr. Speaker. As individuals are transitioning out of FSCD to the PDD program, we're working on creating a seamless system. We're starting to have the conversation with families as early as at 16 years of age so that when they do turn 18, there's no gap in services. Generally the turnaround time from assessment to when they start getting the service delivery is within 35 days. Of course, in cases of emergency we can get services in place within 24 hours.

The Speaker: Final supplemental.

**Mr. Amery:** Thank you, Mr. Speaker. To the same minister. Some of my constituents have told me that they have loved ones with autism living on reserves; however, they don't get the services and supports they need. Why are people on reserves not getting the same supports that they deserve?

The Speaker: The hon. associate minister.

**Mr. Bhardwaj:** Well, thank you very much, Mr. Speaker. When it comes to providing services to the children, it does not matter whether you live on the reserve or you live off the reserve. You get the same consistent services. We will continue to work with the communities in the First Nations, making sure that they're getting timely access to the services, as they deserve, that they need.

Thank you very much, Mr. Speaker.

**The Speaker:** The hon. Member for Cardston-Taber-Warner, followed Fort McMurray-Wood Buffalo.

#### Ambulance Service in Southern Alberta

**Mr. Bikman:** Thank you, Mr. Speaker. At the southwest mayors and reeves meeting the Health minister attended in Lethbridge last month, the member for Calgary-South East mentioned getting ambulance services out from under medical control. This statement has worried quite a few people. In that regard, will the minister please explain what's happening or being contemplated with ambulance services?

The Speaker: The hon. minister.

**Mr. Mandel:** Thank you, Mr. Speaker. It was a pleasure to meet with all the reeves and mayors in southern Alberta. It was a great meeting.

First of all, I've had an opportunity to talk to many, many mayors in southern Alberta. Most of them are very pleased with their current ambulance service and their paramedic services, so we're not going to change anything that's going to impact them. What we have looked at are opportunities for transfer. Patient transfer between facilities is a big issue. We don't want to use the paramedics and their ambulances up while we need them, when we're just transferring. So that's the issue.

The Speaker: First supplemental.

**Mr. Bikman:** Thank you, Mr. Speaker. If any jurisdiction or administrative changes are being considered for rural ambulance service in the south zone, what process will be followed? Will the minister guarantee no changes will be made unilaterally but only after input and agreement from all parties?

**Mr. Mandel:** Well, I think that absolutely we're not going to change service without talking to the people who we support and who deliver the service and who are partners. So, yes, we'd be

more than happy to ensure that we're not changing without working with the communities. I'm not contemplating any changes right now either.

The Speaker: Second supplemental.

**Mr. Bikman:** Thank you, Mr. Speaker. Will the minister confirm, then, that first responders will still be able to access medical advice and support when they're on the scene of an accident waiting for possibly lost, centrally dispatched paramedics and, second, that they will continue to receive the medical guidance and direction currently available to assist them in making possibly life-and-death decisions, including whether or not to transfer, without having to wait for paramedics and perhaps to save the life of the patient in the process?

The Speaker: The hon. minister.

**Mr. Mandel:** Thank you, Mr. Speaker. We know that everyone is concerned about situations of life and death. We're confident that those people who come to the scene, especially our paramedics, who are incredibly well trained, will make sure that the situation is properly taken care of and have the correct access to the groups they need access to. We know that it's a passion of every community around Alberta to make sure they have the best paramedic support, and we'll continue to do that. But the most important issue is making sure that care is delivered at the scene in a way that's most effective so that the individual is taken care of.

The Speaker: The hon. Member for Fort McMurray-Wood Buffalo.

#### 2:40 Influenza Immunization

**Mr. Allen:** Thank you, Mr. Speaker. Last year more than 1,200 Albertans had the flu so severely that they had to be hospitalized, and 30 of them died. Thousands more suffered at home. To the Minister of Health: what is the government doing to protect Albertans from the flu?

The Speaker: The hon. minister.

**Mr. Mandel:** Thank you, Mr. Speaker. Flu season has begun in Alberta, unfortunately, and we can expect the numbers to increase over the next month. There is still time to get your flu shot. I hope everybody in here has gotten their flu shot. This year we've ordered 2.1 million doses of the flu vaccine. That's enough to immunize about 45 per cent of Albertans. We'd love to have a much bigger number, but that's almost double what we did last year. It's true that reaching our target of 45 per cent would go a long way in helping us protect Albertans. We would prevent as many as 60 flu-related deaths and many more hospitalizations.

The Speaker: Thank you.

First supplemental.

**Mr. Allen:** Thank you, Mr. Speaker. A recent CDC report is suggesting that this year's influenza immunization does not fully protect us from all strains that are circulating. Should I and my family and other Albertans be concerned?

**Mr. Mandel:** Mr. Speaker, we are currently reviewing the CDC report to monitor the situation, but there is no cause for alarm. Each year the flu shot targets the strains that are expected to circulate in Canada based on information from the WHO about trends world-wide. This year's vaccine includes the strain that is causing the most cases of influenza so far this winter. It's an A

strain. The vaccine also covers several other strains and the two main types of flu viruses, A and B. The vaccine varies each year. No one has a crystal ball to be exactly right for each year.

**The Speaker:** Thank you. Final supplemental.

**Mr. Allen:** Thank you, Mr. Speaker. Well, of course, the flu virus does strike many different Albertans, especially those in our vulnerable populations such as seniors. How is this government accommodating those who are struck by the flu?

The Speaker: The hon. minister.

**Mr. Mandel:** Thank you, Mr. Speaker. As of last week we've had 145 Albertans admitted to hospital and, unfortunately, nine deaths due to flu, which is very disturbing.

The most important way to protect our most vulnerable citizens is to urge them to get immunized. The vaccine takes two weeks to be fully effective. Don't wait. Get your flu shot right away. As I mentioned, we've increased the number of doses of flu vaccine we ordered from last year. We've also improved our distribution. More than 970 pharmacies are participating, and we're making sure Albertans are aware of the risks from influenza. We also need to do more to raise immunization rates among health care workers.

The Speaker: Thank you.

Hon. members, the time for Oral Question Period has expired. Today we recognized 102 questions and responses. Well done.

In 30 seconds from now we will resume with private members' statements.

#### **Members' Statements**

(continued)

The Speaker: The hon. Member for Drumheller-Stettler.

#### Suffield Elk Herd

**Mr. Strankman:** Thank you, Mr. Speaker. My colleague from Cypress-Medicine Hat and I continue to have serious concerns about the effectiveness and knowledge of this government's herd management policies regarding the elk population that was introduced in the late 1990s to the Suffield military base. One of my constituents personally handed the Prime Minister a letter pleading with him to help force this PC government to deal with this unmanaged and self-inflicted wildlife problem.

This exploding elk herd population could lead to an economic disaster for provincial cattlemen. We have already seen the effects in our neighbouring state of Montana, where several thousand heads of cattle have been quarantined due to the brucellosis outbreak there amongst the livestock, contracted from elk in the nearby Yellowstone national park.

Elk in Yellowstone wander onto adjoining ranchland much like the elk here are wandering onto my constituent's ranchland from Canadian Forces Base Suffield, where they were introduced with no known population management plan. Still reeling from the effects of mad cow disease and now with the historical prices that ranchers are receiving for their livestock, it is imperative that the Minister of ESRD come up with a strong herd management plan. To quote my colleague for Cypress-Medicine Hat, we need to immediately get these numbers in check. It is imperative that we have more than a developing strategy. Farmers and ranchers are demanding a succinct action plan for immediate control of the population numbers of elk entering their property.

Mr. Speaker, in my constituency property rights are definitive. If your neighbour's cows are on your property, he is responsible. In this case ESRD's livestock is causing havoc. Therefore, ESRD needs to get their livestock immediately under control.

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

**Ms Notley:** Mr. Speaker, on behalf of the Member for Edmonton-Beverly-Clareview I'd like to table the appropriate number of copies of 55 postcards from a campaign on Bill 9 by the Canadian Condominium Institute. The card reads: "I am concerned that Bill 9 has not had the needed public scrutiny that it requires. I support the [CCI's] position that the passage of Bill 9 must be put on hold until it is improved."

Thank you, Mr. Speaker.

#### The Speaker: Thank you.

The hon. Member for Calgary-Mountain View.

**Dr. Swann:** Thanks very much, Mr. Speaker. I notice that my guest has arrived in the gallery.

I have three tablings. The first is the government announcement of the new review of agencies, boards, and commissions, that was supposed to have been tabled at this time, with the appropriate copies.

The second is a professional profile for Mr. Ian Brodie, research director at the School of Public Policy in Calgary, referred to earlier by the Member for Edmonton-Meadowlark.

Finally, from Ms Joyce Dowdall, who is concerned that Bill 9 has not had the needed public scrutiny that it requires and is supporting the Canadian Condominium Institute North Alberta's position that "the passage of Bill 9 must be put on hold until it is improved."

Thanks, Mr. Speaker.

#### The Speaker: Thank you.

Are there others?

If not, hon. members, allow me to table five copies of a letter received in my office yesterday from the hon. Member for Whitecourt-Ste. Anne dated December 8, 2014, wherein he is requesting early consideration for his Bill 203 to proceed to Committee of the Whole.

Hon. members, I have no points of order, so I think we can move directly to Orders of the Day.

#### Orders of the Day

#### **Government Motions**

#### Committee Referral for Mental Health Amendment Act, 2007

15. Mr. Denis moved:

Be it resolved that

- 1. The Mental Health Amendment Act, 2007, be referred to the Standing Committee on Families and Communities for the purpose of conducting a comprehensive review of the amendments to legislation made by that act;
- 2. The committee may, without leave of the Assembly, sit during a period when the Assembly is adjourned or prorogued;
- 3. In accordance with section 54 of the Mental Health Act the committee must submit its report to the

Assembly within one year after beginning its review, and that report is to include any amendments recommended by the committee.

**The Speaker:** Hon. members, this is a debatable motion. Are there others? The hon. Member for Medicine Hat.

**Mr. Pedersen:** Thank you, Mr. Speaker. Time and time again we have heard stories of neglect and mismanagement on the part of this government when it comes to mental health. There are increased calls for mental health supports across the spectrum, whether it be in K to 12 education, in the postsecondary education system, for those who work as emergency first responders, for individuals battling addictions, and the general public who are simply trying to navigate day-to-day life. We have hard-working and passionate front-line workers that are doing their best with the resources that they are provided, and for that they should be commended. However, they are succeeding despite this government, not because of it.

#### 2:50

The Standing Committee on Families and Communities, of which I am the deputy chair, consists of a controlling majority of PC MLAs. Despite voting and agreeing that mental health and addictions should be our specific goal with a comprehensive review of mental health service that started over two years ago, very little progress has been made and very few meetings have actually taken place on this issue as of late. Now with this additional review of legislation the important work of the committee will be delayed even further. While I have no doubt that the review of this legislation will be beneficial, I can't help but wonder why this government doesn't pay attention to mental health issues on a regular basis. This may well be a positive step forward, but there is still so much more work to be done.

Mr. Speaker, I hope this government will start to pay serious attention to mental health and that the review of this legislation is only the first step to working with front-line staff to improve mental health supports in Alberta.

Thank you, Mr. Speaker.

#### The Speaker: Thank you.

Hon. Member for Calgary-Mountain View, shall we request unanimous consent to revert to introductions? Is that what I understood?

[Unanimous consent granted]

# Introduction of Guests

(reversion)

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

**Dr. Swann:** Well, thanks very much, Mr. Speaker. It's a great pleasure for me to introduce to you and through you to the House a friend and supporter, Helen McMenamin. If she would stand. She is a stalwart in the Liberal constituency of Lethbridge-East and has continued to work tirelessly for positive change in that area. I would ask the Legislature to give her a warm welcome.

Thanks, Mr. Speaker.

#### The Speaker: Thank you.

While we're on the subject of reversions, would you mind if we reverted briefly for one tabling.

[Unanimous consent granted]

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

(reversion)

**The Speaker:** Hon. Member for Drumheller-Stettler, why don't you proceed.

**Mr. Strankman:** Well, thank you, Mr. Speaker. I'm apologizing for my tardiness previously. I'd like to table the letter with the requisite copies that my constituent Jeff Lewandowski handed this summer directly to the Prime Minister regarding the explosion of elk on his property and that of the Suffield base, that I referred to in my member's statement.

Thank you.

The Speaker: Thank you.

#### **Government Motions**

#### Committee Referral for Mental Health Amendment Act, 2007 (continued)

**The Speaker:** Are there any other speakers on Government Motion 15? The hon. leader of the ND opposition.

**Ms Notley:** I will be brief, Mr. Speaker. I just want to join with the comments of the vice-chair of the family and community services committee. It's all fine. I'm sure that the reason that we are reviewing this act is because it's a provision in the act itself that requires us to. It's good that mental health in some fashion is coming before the committee. But I want to join with the concerns raised by my colleague that opposition members on that families and community services committee have been trying since 2012 to get the committee to do the job it had originally agreed to do, which is to do an expansive review of the quality of mental health services throughout the province.

We spent the first six months after that committee was established after the last election having a fulsome conversation with deputy ministers from a number of different ministries as well as getting expert and internal research provided to the committee which showed us very clearly and without qualification that there is a profound crisis in mental health care in this province and that this government is jaw-droppingly disorganized on the provision of that service and completely unaware of the level of service that they're even providing.

On one hand, we can talk about certain amendments to the Mental Health Act, but the bigger picture is that these folks over there have no idea how they're even providing mental health services at this point. We are, in fact, the only province in the country that can't actually draw a diagram of how we provide mental health services in this province because they don't know. Of course, all of this ties back to when these folks created AHS and eliminated the Alberta Mental Health Board. Ever since then it's been a complete disaster. Every day children in schools, their families, their parents, seniors, people in this province desperately need mental health services and don't secure those services because it is a piecemeal, fractured, disorganized, thoughtless approach to providing mental health care to a population, which, like the rest of the world, has 1 in 10 people at any given time suffering from a mental health illness.

#### Dr. Swann: Two in 10.

**Ms Notley:** My hon. colleague from Calgary-Mountain View tells me that it's 2 in 10.

It's a crisis. It's one that opposition members on the committee have been trying to deal with now for over two years. I certainly hope that in the course of deliberating on the specific amendments that are now being referred to this committee, we will be given the opportunity to continue the more expansive work which focuses on the urgent need faced by many, many Albertans and for this government to take responsibility on this very, very important issue.

Thank you.

#### The Speaker: Thank you.

Standing Order 29(2)(a) is available. Anybody on 29(2)(a)? Are there any other speakers? Calgary-Mountain-View.

**Dr. Swann:** I'll just lend my support, Mr. Speaker. This is a long overdue assessment that's needed. On the face of it, it looks like we're diverting again after two years to another theme related, obviously, to mental health but not the comprehensive review that we had committed to two years ago. It looks like this government is ducking and diving. They don't really want to know how bad things are in the mental health system. We here, many of us at least, especially me as the Health critic, receive complaints, concerns, real desperate calls at times, especially from young people and their families because it takes up to three months for a child and a youth to get access to a psychiatrist in this province. There are many examples of people who have gone by the wayside and are getting inadequate care.

Again, Mr. Speaker, without understanding how the system can work more efficiently and a comprehensive review of leadership, lines of authority, clear guidance for those on the front lines in terms of how to make some of the changes that are needed to improve access and quality and the cost-effectiveness of our system, it's really troubling to hear from these folks and have nothing to offer them because we haven't done that comprehensive review. We haven't got the kind of leadership and organization at the top of mental health that we desperately need.

So while I support the need for this review at the committee, it's again with some really desperate concerns expressed by my constituents that we, I guess, have to remind the government that this is a key – key – priority in our health care system and that there is tremendous suffering due to the lack of organization, accountability, funding in some cases, staffing in others. Particularly, I'm feeling badly about our young people and their failure at the early stages, when we could have early intervention and real impact, that we're not getting to these young people soon enough.

Thanks, Mr. Speaker.

#### The Speaker: Thank you.

Standing Order 29(2)(a) is available.

Seeing no one, is there anyone else who wishes to speak to Government Motion 15? The hon. Member for Calgary-Varsity.

**Ms Kennedy-Glans:** Thank you, Mr. Speaker. I would like to speak to this motion. A few weeks ago I delivered a member's statement about mental health and the ideas and the concerns that came from my constituents in Calgary-Varsity.

I think it's quite misleading for the other parties in this House to suggest that people on this side of the House are ignoring the issues or don't care or don't care about fixing the system. I also think it's quite disingenuous to suggest that change is not happening. In my constituency alone, at the Alberta Children's hospital we're seeing incredible research on brain health, which ties directly to mental health supports for youth and children. We're also seeing amazing things happening at the University of Calgary in response to the Brentwood murders. Those are profound investments in mental health care by not just the university and researchers but by the community itself. We're also seeing the Chambers of Commerce lead mental health initiatives in the workplace in a very candid and honest way like we've never seen before. We're also seeing a lot of work on Alzheimer's and dementia care, and I for one have asked many questions in this House about that issue.

So as one MLA on this side of the House I have to counter the comments that have been laid before us and suggest that there are many people in this province who care about mental health, who believe we can do it better, who believe we are doing it better. I think the opportunity to share best practices and emerging best practices not just by this government but by all mental and brain health care providers is a really wonderful opportunity for all Albertans. What we've seen with other all-party committee meetings, some of which I participated in and many people have participated in: it's an excellent way to get ideas on the table and shared and accessible to all Albertans.

So I commend this recommendation.

#### The Speaker: Thank you.

Hon. members, 29(2)(a) is available.

Seeing none, are there any other speakers to Government Motion 15?

If not, are you ready for the question?

Hon. Members: Question.

[Government Motion 15 carried]

# 3:00 Government Bills and Orders Second Reading

Bill 2

#### Alberta Accountability Act

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

**Mr. Denis:** Thank you very much, Mr. Speaker. It's my privilege today to rise to speak about Bill 2, the Alberta Accountability Act.

Bill 2 includes amendments to the Conflicts of Interest Act, the Public Service Act, and the Lobbyists Act, Mr. Speaker. The legislation is part of a package that will help restore public trust, improve accountability, and end entitlements. Bill 2 will strengthen the conflict-of-interest guidelines for political staff, extend the cooling-off period for political staff and designated office-holders, and clarify the distinction between the role of registered individual lobbyists and government consultants.

Mr. Speaker, complementing the legislation will be two Treasury Board directives that will eliminate sole-source contracts except in exceptional circumstances and restrict severance packages for political staff. With the Alberta Accountability Act we will hold this government and all subsequent governments to the highest possible standards of public service.

Mr. Speaker, as someone who grew up in another province, that was rocked by what may have been the worst provincial political scandal in Canadian history, I feel very strongly about the changes being made. Of course, I'm speaking about 14 MLAs, members of two different parties, that had fraud allegations against them. This scandal really shook many people in the province and the whole country, and it did help form my views of government and public service and accountability of elected officials.

I recall, Mr. Speaker, when I was finishing my first university degree, many of us were talking about where we'd like to be in our careers, and I said that I might want to be an MLA. It really shocked me what the response was from so many people. People thought that MLAs were dishonest. People thought: oh, they're all a bunch of crooks. It really hit me that when events like this occur, it doesn't matter what party you're from, what caucus you sit in, what Legislature you sit in, if you're part of the federal or a provincial parliament, when you were elected. The same thing holds true. It taints us all. When one individual member has an ethical consideration, it taints us all, and it doesn't matter where you come from or what your story is.

I will now provide some details about the bill, Mr. Speaker. The Conflicts of Interest Act governs the ethical standards of Members of the Legislative Assembly and those who work in the Premier's office and in ministers' offices except those in administrative positions. Currently MLAs are prohibited from participating in discussions or using confidential information which would further a private interest and from using their office to improperly influence others to their own personal benefit. Under Bill 2 this prohibition would be expressly extended to the Premier's and ministers' staff.

Another amendment is around postemployment restrictions, Mr. Speaker. Former ministers are currently subject to a 12-month cooling-off period. Under Bill 2 ministers, the Premier, and their staff will be banned from lobbying government for 12 months after leaving their post. As well, the cooling-off period for ministers' and the Premier's office staff would be extended from six months to 12 months.

Another significant change to the Conflicts of Interest Act is related to financial disclosure and reporting. The act currently requires MLAs to make financial disclosure to the Ethics Commissioner when they become an MLA and every year thereafter. Now, under Bill 2 this requirement would be extended to the Premier's and ministers' staff. As well, an administrative penalty would be imposed upon those who do not file their financial disclosure on time.

This new legislation also makes changes in gifts and travel permitted and the reporting thereof. Currently there is a general ban on accepting gifts or noncommercial travel in connection with an MLA's office. Now, again, Mr. Speaker, this does not apply to gifts around Christmas or for a person's birthday or for a person's wedding. These are gifts received as a result of a person holding that particular office. Now, there are certain exceptions such as gifts received as a matter of protocol. It's also worth noting that if a \$200 gift is repeated multiple times throughout a given year, it may cease to be a protocol gift.

With Bill 2 more detail is provided about when an MLA may accept a gift in a protocol situation, and it includes additional reporting requirements about gifts. The exceptions allowing travel on noncommercial flights have also been revised. The new rules are similar to the federal model under the Federal Accountability Act. With Bill 2 public disclosure of all non-commercial travel is required within 30 days of when the travel occurred.

With Bill 2 there will also be amendments regarding the authority and operations of the Ethics Commissioner, and this includes expanding the authority to oversee financial disclosure, conflicts of interest, and postemployment restrictions for deputy ministers, senior officials, and the Premier's and ministers' staff; providing legislative authority to ensure members are reimbursed for the cost of transferring a mortgage, a line of credit, or other account from the Alberta Treasury Branches to another financial institution; providing authority to prescribe the form and manner of disclosure statements; providing authority to post public disclosure statements on the Ethics Commissioner's website; providing authority to approve alternative arrangements with safeguards for business investments; providing authority to approve investment arrangements with appropriate safeguards for publicly traded securities as an alternative to blind trusts; providing for greater investigative powers for the Ethics Commissioner such as the authority to call witnesses and compel production of documents; and providing authority for an ethics commissioner from another jurisdiction to investigate if the Alberta Ethics Commissioner has a conflict or for whatever reason is unable to act.

These amendments reflect input from both the Ethics Commissioner and the Conflicts of Interest Act Review Committee, and I thank them for their help in this consultation.

I will now provide information about amendments proposed to the Lobbyists Act. The current legislation recognizes lobbying as a legitimate activity and that such activities are intended to be transparent. As such, lobbyists are required to register. The current act also prohibits a person or others associated with that person from lobbying and providing paid advice to government or a prescribed provincial official on the same subject matter at the same time. Under Bill 2 a person would be prohibited from lobbying and providing paid advice to government or a prescribed individual on any subject matter at the same time, Mr. Speaker.

If the legislation is passed, anyone who is currently lobbying and consulting at the same time would be required to choose which activity he or she will continue performing and to end the other activity within 60 days of the bill coming into force. Basically, Mr. Speaker, it's one or the other.

In addition, Bill 2 makes changes to the returns filed by lobbyists to capture the new prohibition as well as postemployment restrictions on lobbying, and this is being added, again, to the Conflicts of Interest Act and the Public Service Act.

Now, Mr. Speaker, the third piece of legislation that would be amended by Bill 2 is the Public Service Act. This act governs employment and conduct of provincial civil servants. Bill 2 adds a new part to this act that is parallel to many of the conflict-ofinterest provisions applicable to MLAs.

This bill will impose rules on a new category of senior staff called designated office-holders. This category includes all deputy ministers, all senior civil servants, chief executive officers, and chairs of provincial agencies designated by cabinet. Designated office-holders would be subject to conflict-of-interest rules which prohibit participation in discussions or using confidential information to further a private interest, using confidential information to further a private interest, and using their office to improperly influence others for their own benefit. Designated office-holders who are public servants would also be restricted from holding publicly traded securities except in a blind trust or a similar investment arrangement. These provisions mirror what is imposed upon ministers. Bill 2 would also increase the cooling-off period for designated office-holders from six to 12 months. This, too, again, mirrors what ministers are subject to.

Mr. Speaker, exceptions to this rule will be permitted for civil servants to compete for another role within the public service or for a chair of one provincial board to be hired to chair another provincial board.

Designated office-holders would also be required to provide financial disclosure to the Ethics Commissioner similar to what is required for MLAs. There is also a new administrative penalty available to those who file their disclosure documents late. The Ethics Commissioner would be responsible for overseeing these new requirements and investigating and reporting on any potential breaches.

Mr. Speaker, I'd like to make a few final points before I take my chair. It's important to note that these are significant changes The proposed amendments and the policy directives will help us usher in a new era of accountability and, in fact, a new management as we continue to restore the public trust. We must never forget that public trust is not given to us; it is earned year to year from our day-to-day actions. This legislation is the result of consultation, with considerable input from Alberta's Ethics Commissioner. I would like to thank our Ethics Commissioner, Marguerite Trussler, a retired justice of the Court of Queen's Bench, for her input into this legislation.

With Bill 2 we're talking about a business approach to government that will ensure high ethical and accountability measures are in place.

Mr. Speaker, I am confident that I speak for all of my colleagues when I say that it is an honour and privilege to serve the people of Alberta, something that we can never take for granted. We are committed to making changes and proving to Albertans that their faith in us is deserved. We must endeavour to prove this every day of this job.

Thank you very much.

#### 3:10

The Speaker: Thank you.

The hon. Member for Airdrie.

**Mr. Anderson:** Thank you very much, Mr. Speaker. It's an honour to rise and speak to Bill 2, the Alberta Accountability Act. Obviously, issues of accountability, transparency, and so forth have been hallmark issues over the last several years. They are certainly things that the Wildrose caucus has worked very hard on, trying to hold the government accountable for some of the mistakes that were made. Clearly, there's a lot of work to be done, as, frankly, the Premier has said many times in this House and also in the media, to restore that trust. This isn't something that's going to be done overnight. There was a lot of damage done to the perception of politicians and government in general over the last many years.

But you know what? It's never too late to do the right thing. It's never too late to change direction and move in the right direction. I hope that this bill is a first step, albeit, I would say, a relatively small one, towards repairing the damage and, hopefully, starting a new era of transparency and accountability. I really do hope that. You know, one of the legacies, I hope, that all of us want to leave here is that when we leave this Assembly, the perception of politics, politicians, the work we do here, the things that we do, and our reputations has been collectively raised. It doesn't just take one party or two parties or three parties; it takes all parties to do that. I hope that we can leave that legacy no matter how long we're in this building as MLAs.

Bill 2 is an interesting bill. I say that it is a step in the right direction, and it indeed is. It is a small step; there's no doubt about it. Much more needs to be done. Much more, I think, could have been done in this bill, but I do understand that the Premier has been there for 60 days – is it 60 days? – relatively close to that.

Mr. Hale: Give or take 10.

Mr. Anderson: Yeah, give or take 10 days.

Legislation like this and as complicated as this isn't written overnight, isn't written quickly. There are a lot of affected stakeholder groups and there is a lot of paperwork and lawyers and more lawyers to deal with. [interjection] I know. Those damn lawyers. It's unbelievable. I got out as quick as I could, as you remind me often, hon. member.

With regard to what this act does deal with – and I'm going to also talk a little bit about what it doesn't deal with, which I hope one day will be added to this Alberta Accountability Act at a point in the near future. I want to talk about what's in there. What is in there is that, obviously, there are sections that used to just refer to MLAs; for example, not using our office for personal gain, making disclosure statements, and declaring gifts, et cetera. Those rules that applied to MLAs before also now apply to staff in the Premier's and ministers' offices, a very, very, very good improvement.

The cooling-off period for everyone is 12 months for staff; it used to be six for staff. The cooling-off period is, of course, between when you work in a ministry and then go out into the private sector. You can't just turn around and lobby that ministry. There's a cooling-off period. For MLAs I believe that's 12 months. For political staff it was six. Now it's 12 months for everyone.

There is a small change with regard to accepting protocol gifts or the social obligation on gifts. Nonmonetary gifts cannot exceed \$200. The total in tickets, invitations, conference costs cannot exceed \$400 from the same source. Gifts under \$100 also do not need to be disclosed. So there's a little bit of change there. They're all generally, I would say, positive.

Then, of course, there's the issue of flights. Members, MLAs, can accept rides on other people's noncommercial planes if it is "required for the performance of the Member's office." There are exceptional circumstances, but the member needs to get approval from the Ethics Commissioner. So all these things are good.

The Lobbyists Act. The previous act set a very low bar, forbidding a person to lobby on a specific subject matter if they were holding a contract to provide paid advice to the government on the same subject matter. This has now been changed and broadened to any subject matter so that the same well-connected folks can't be going into one minister's office to give paid advice and then going down the hall to lobby another minister on behalf of someone else. Again, that's a positive change.

In the Public Service Act there are some minor amendments strengthening some of the existing policies into legislation. The effect for the most part is to treat deputy ministers as well as selected CEOs and chairs of agencies, boards, and commissions of the province of Alberta as equivalent to politicians and political staff when it comes to conflict-of-interest and cooling-off provisions. Again, good improvements.

That, pretty much, is most of the subject matter of the bill. I don't have any issues with it. There are a few things. I know that in the Conflicts of Interest Act review some of the recommendations I don't think were put into this act, although some of them were. We'll be looking into possible amendments around those, but there are a lot that did get in here, so that's good to see.

With regard to the next two pieces, sole-source contracts and severance, those issues actually are not dealt with in this act, but they were announced at the same time as the act. Essentially what happened is that there were two directives, Treasury Board directives, I believe, that dealt with these. I would have really liked to see those in the act. It's good that these were passed by Treasury Board. It's a good policy to have, but essentially that's what this is. These are policies; they're not legislation. They can be changed very quickly with a wave of a magic wand, frankly. It can all be changed without having to come back into this House and go before the opposition and be held accountable for making those changes, so I'm very worried about that. I think that in the case of severance in particular those changes could have been put in this bill without much worry, without much problem, and I'm a little concerned that they weren't put in this act. They should have been.

The severance directive itself, with regard to political staff, is actually very strong, and I want to commend the minister for that. They've capped it so that it's three months of severance for anyone working less than one year, and if you're employed for a length of time longer than one year, the employee can receive three months of severance plus an additional one month for each additional year of employment up to a max of six months. That's a very strong severance cap. It's very good. It's reasonable. The point of severance has always been to help someone pay the bills between jobs. If something doesn't go right with a job, and things happen, whether it's – there are many different reasons that people lose their jobs in government, among political staff. But when it happens, we want to help those people, obviously, transition to a new job, and part of that is paying out a fair severance.

But what has happened over the years is that these severances have turned into winning lottery tickets. It's really been that bad. I mean, just look at – some of these severances have been in the millions of dollars, some in the half-million-dollar range, hundreds of thousands of dollars. These severances should not make one wealthy; these severances are to help transition to a new job. This directive, I believe, is fair. I wish it was in legislation. It should be part of this bill, but at least the policy is correct. Obviously, we'll hold the government accountable to following their policy.

One of the biggest omissions on the severance – and I don't know if this is on purpose or if, again, the government is looking at this; I think the Justice minister mentioned that they actually are looking at this right now – is that this severance directive needs to be applied across the government of Alberta. When we're talking about political staffers, we're talking about a couple of hundred people maybe, if that many, probably not that many, located in the ministers' offices, political offices. We're not even talking about their departments, just their political offices and the Premier's office, obviously. I don't think that applies to the Public Affairs Bureau. They're not considered political staff either.

#### 3:20

So this is a problem. We have a possible -I don't want to say that it is a budget crisis right now, but it is certainly a possible budget crisis, a long-term budget crisis that we are going to need to deal with. Guys and gals, if we can't make such a very simple change to the way we do business in this House, how are we going to make bigger decisions and tougher decisions? This is not a tough decision. If you come to work at Alberta Health Services, if you come to work in a public institution of education, if you come to work in any capacity in those higher levels, senior executive levels, there is no reason why we shouldn't have a cap on severance similar to the one that's being introduced in that cabinet directive. It's the right thing to do. It will save money.

People don't understand. We're still FOIPing, trying to get the FOIP back on this, how much we're paying right now in severance benefits and pension benefits to former senior civil servants, former chairs or former executives of certain health regions, and so forth. We've cobbled together enough of these FOIPs that – the amounts are staggering, how much we're paying some of these guys still and will pay till the day that they pass on.

We're not talking about a few thousand bucks a month here; we're talking about tens of thousands of dollars a month to individuals, multiple individuals, and it is brutal that we've done this.

Now, probably no one here in the House, including on the government side, was -I don't want to say nobody, but most of the people sitting on the government side were not there when those ridiculous contracts were signed, and there's not really any way to get out of it at this point. The point is that if you put the severance in place, if you put the rules in place now – obviously, we can't go back and break contracts and so forth; that's not doable – we can at least on a go-forward make sure we don't make the same mistakes. That should be part of the bill. Please add it in an amendment act.

My understanding is that there is a review of expanding this to agencies, boards, and commissions. Certainly, Minister, AHS would be the most important one in that regard because that's where the more flagrant abuses have occurred in the past.

Mr. Speaker, how much time do I have? A couple of minutes? Mr. Speaker? Five, three . . .

#### The Speaker: Seven.

**Mr. Anderson:** . . . seven minutes. Okay. Well, I won't take that long.

Finally, sole-source contracts. Here's the issue with them. What this does, what the directive from Treasury Board – again, it should be in legislation, in my view, but so be it. The directive as it reads now lowers the trigger point for having to tender out a contract from government from \$100,000 to \$50,000 in the case of capital and down to \$10,000 in the case of services. That's good. If there's an exception to that rule, if there needs to be a solesource contract for exceptional circumstances, say, in an emergency, during a flood, et cetera, all that stuff, then the deputy minister has to sign off on that, and then, importantly – and this warms our research director's heart because we're going to have to do a lot less FOIPing, and that's good – it will be posted online during the following quarter. That is an excellent change.

There are rare circumstances when sole-source contracts should be granted, very rare circumstances. That has been abused like crazy, obviously, and we've exposed that multiple times. But just knowing that all sole-source contracts will be posted online within a quarter – I think that immediately you'll see a huge decrease in the number of sole-source contracts provided for that exceptional purpose or reason because the deputy minister will have to sign off on it. It'll go online. Everybody will be able to see it. So when there is an extreme circumstance and a sole-source contract is needed, I think you'll still see it, but it'll be legitimized whereas before it was kind of done behind closed doors, and no one knew about it until we started coming in and, essentially, FOIPing. It shouldn't come to that at all. I think that's a very good change, and I think that will naturally just cut down on the amount of solesource contracts done in government.

I will say this. Whether this is in legislation or not, the more important question here is one that applies to the Premier and to the ministers sitting in the seats today. You can always have rules, but if you're not willing to abide by them and really pursue following them with everything that you have and count that towards yourself as part of your personal integrity, there's always a way around it. There's always a loophole. There always is. So whether this policy will be effective or not is really up to the Premier and his ministers.

I just hope that – you know, we've been promised so much, over the previous Premier's years and even before that, about how differently business was going to be done and how everything was going to be different now and how there will be more ethics and transparency and accountability. Every new Premier says that, but it clearly, specifically, especially with the last one, did not happen. In fact, it got to a point that was probably one of the worst parts of our political history in a lot of ways in that regard. I really hope that this new Premier, who's saying all the right things, will make sure that this directive is enforced and that there aren't any loopholes or that there isn't any abuse of any loopholes. We need to make sure, all in this Chamber, to hold him, ministers, and each other to account, to follow these rules, and to not make ridiculous exceptions for ourselves that further our political interests.

Again, I applaud the member for the bill. It's a good first step, Minister, but much, much more needs to be done. I would hope that in the next year or so there's an Alberta accountability amendment act that's brought forward where we can put this severance directive into legislation and expand it to government boards, agencies, and commissions and that we will also put the procurement directive in that law as well or in a separate law if it needs to be a separate bill. That's fine, too.

The Wildrose is ready to support this bill. We will be bringing forward some amendments to the effect of what we were talking about earlier, Mr. Speaker, but the intent of the bill and most of what's in here we support.

Thank you.

#### The Speaker: Thank you.

The hon. leader of the Liberal opposition, followed by the leader of the ND opposition, and then we will ping-pong back and forth.

**Dr. Sherman:** Thank you, Mr. Speaker. On behalf of the Alberta Liberals it's my pleasure to speak to Bill 2, Alberta Accountability Act. A lot of this bill is pretty motherhood and apple pie, so the Alberta Liberals will be supporting this bill with amendments. You know, we call this the Everything That Alison Did Wrong bill.

#### An Hon. Member: It's not just Alison.

#### Dr. Sherman: And many other PCs.

Mr. Speaker, the government actually had to bring in a bill to hold itself accountable because of its own failures. This bill is largely a public relations exercise, in its current form intended to undo the legacy of the former Premier and the excesses and failings that occurred during her leadership.

In terms of financial impact for Alberta this bill really deals with just a fraction of Alberta's finances, 1 per cent. Mr. Speaker, we're dealing with – what? – 62, 63 oil. Maybe it's headed on the way down. We really have to look at full, broader accountability for the whole government in addition to the accountability mentioned in this bill. For instance, a couple of things are very absent in the bill. The Premier has made speeches, but the bill doesn't coincide with his speeches. A couple of things that are absent are capping severance payments and ending solesource contracts. It's going to be done by way of Treasury Board directives, and it's not enshrined in the act. The Premier promised that these would be written into the act, and I'm surprised that with such a highly touted bill that's not in there. Liberals feel that that should be in there. I think many other members in this House feel that way as well as in the other opposition parties.

#### 3:30

Mr. Speaker, the Premier is quickly developing a reputation for governing by regulation or Treasury Board directive, and that can be a problem sometimes, in fact many times, because that has been the problem with the current government, that got us into this mess in the first place. We've got to stop doing things behind closed doors. We need more public consultation. We need real accountability.

Something interesting that I found was that Bill 2 – there's Bill 1, Bill 2, Bill 3 – was actually one of the last bills introduced here before Santa comes. There's really minimum time to debate, minimum time for the public to give input and for folks to digest something that is actually a very important bill.

Mr. Speaker, here's what the Liberals would do differently to improve this bill, which I think is a good idea. I think it's a good idea. It's a good first step because accountability affects every elected member in the halls of democracy, that we're all very proud of, and we always support good ideas.

To make this a better idea, we believe it's important to end patronage. To end patronage, we would like to see an independent appointments commission enshrined into legislation. The only way to make sure that public appointments are based strictly on merit is to take them out of the governing party's hands and Treasury Board's and cabinet's hands and have an independent commission manage the recruitment and vetting process for prospective candidates.

Mr. Speaker, the Ontario Public Appointments Secretariat is a prime example of how the appointments process can be strengthened to ensure that only the most qualified men and women in our society, that have the highest personal and professional integrity, serve on public agencies, boards, and commissions and in other posts. I believe that a thing such as the independent appointments commission would go to greatly strengthening the Accountability Act.

Now, Mr. Speaker, I have very high hopes for this Premier. Unfortunately, he started off with patronage appointments to some very key roles – and that's a problem – the appointments of Mr. Hill and Mr. Merrifield, very good people. Good people like that should go through a competitive process, a vigorous process. Who knows? They might have gotten the job anyway. But the process is the key to how we arrive at these decisions to put very important people in very important positions, where the future of our province and our society will be decided.

Mr. Speaker, let's not forget that the Prime Minister of the country and Mr. Prentice were in cabinet in 2006 federally when they supported the public appointments commission. However, they didn't follow through. The Liberals are suggesting that the Premier has an opportunity now. He's the boss. He's the Premier. He can actually make this happen right now in Alberta before we depart for Christmas.

Mr. Speaker, another thing that the Liberals feel is very important in accountability, especially with the amount of money that is spent in Alberta, is the question: are Albertans getting the results they deserve? We feel that Alberta needs an independent budget officer. This will be another Liberal amendment to make a good idea even better. An independent budget officer will be of tremendous benefit to taxpayers, to Albertans, and, frankly, to all MLAs in all political parties.

Mr. Speaker, we'd also like to see staffing rules for senior and executive level positions in significant agencies, boards, and commissions. The rules governing the process for staffing these senior positions are currently set out in a directive and are not written into law. Again, we want to bring this out into the public, not back behind closed doors, where with the stroke of a pen these decisions are made. Currently the rules are only guidelines, and it's up to the cabinet ministers' discretion whether to follow the process. The Liberals will propose an amendment to this as well that will see the particulars of this directive written into law so that the ministers are actually obliged to follow certain rules when making appointments to agencies, boards, and commissions.

Mr. Speaker, I want to speak to the cooling-off period. I believe the intent is very good. We should have a cooling-off period. But there's a loophole. The cooling-off period is largely meaningless because there's a loophole. The Ethics Commissioner can exercise that loophole and waive the cooling-off period. You know, we've already had a former MLA immediately appointed, Evan Berger, a good man. But the cooling-off period was waived, and the Ethics Commissioner at the time said: hey, it's all in the family. I think we just need to close the loophole. Don't put the Ethics Commissioner in a situation with the government where the Ethics Commissioner has to say no to the government. Just put this into law, and close the loophole.

Mr. Speaker, you know, we should maybe consider extending the cooling-off period to 24 months. My colleague the hon. member from the fabulous constituency of Edmonton-Centre supported that recommendation when this was previously discussed, and I support that as well. If the intent of Alberta's conflict- of-interest rules is to actually prevent conflicts, then the statutory cooling-off periods for elected officials, political staff, and senior civil servants should be honoured, full stop, one hundred per cent of the time, with no exceptions. As I said, to put the Ethics Commissioner in the position to pick winners and losers is not right.

Mr. Speaker, another thing that the Liberals would do differently or do better to improve the Accountability Act is requests for investigation of conflicts of interest. The province's Conflicts of Interest Act review recommended that section 24(6) of the Conflicts of Interest Act be repealed. That section states, "Where a matter has been referred to the Ethics Commissioner under subsection (1), (3) or (4), neither the Legislative Assembly nor a committee of the Assembly shall inquire into the matter." I, too, support repealing that section of the Conflicts of Interest Act and will be proposing an amendment to that effect.

Mr. Speaker, we had, oh, gosh, \$1.25 billion in sole-source, untendered contracts in health care alone in 2012-2013. This Accountability Act, as I said, pertains to just a fraction, 1 per cent, of the whole budget. When the government claims it's in dire financial circumstances, we're suggesting that this apply all across government. The Liberals feel, and rightly so, like many Albertans do, that elimination of sole-source contracts in all but the most extreme circumstances be the practice and that it should be enshrined in legislation.

Now, the current Premier is trying to score political points by eliminating sole-source contracts but not through law. He's trying to do it through Treasury Board directive. Really, this is nothing more than Alberta honouring the terms of trade agreements like TILMA. Mr. Speaker, Albertans will accept no less.

There is a direct correlation between the level of government openness and transparency and the health of our democratic institutions, and the only way for Albertans to really know if government contracts are providing good value for money is if their particulars are made public, tendered out, and put on a website for all to see. In that way, we shouldn't have to rely on a FOIP process to get the information. Every business in Alberta should have an equal chance of prequalifying to be on the province's vendor list. This should not be a case where businesses with close ties to cabinet or the PC Party are the first amongst equals.

#### 3:40

Mr. Speaker, also, the Liberals feel that a very important thing that the Premier promised he would do he hasn't done in the Accountability Act. We feel it's time to return to consolidated budget formats. That should be in the Accountability Act. The Auditor General himself has said that these aren't budgetary practices that are easy to report on.

Mr. Speaker, the other couple of things that we really need -I think I have just a couple of minutes here. Open data: let's have more government data publicly available for all Albertans to see. Government spends the money of the people. The people are entitled to find out how their money is being spent, where it's being spent, and what the accountability measures are. We need to have meaningful accountability.

Whistle-blower legislation was passed. Frankly, it makes whistle-blowing tougher than ever. We need real, meaningful whistle-blowing legislation. That should also be in this act, and it's conspicuously absent.

Mr. Speaker, I'd like to see legislated accountability in health care. When I was an independent member, every other opposition party agreed at that time to legislate health care wait times. We're spending 74 per cent more today with Alberta Health Services than we were seven years ago. The population is only up 15 per cent, and we're a younger province.

The ministry will no longer report on the 56 measures – Mr. Speaker, you were minister of health at the time – publicly at the 90th percentile on a quarterly basis. They won't report that anymore. Instead, it's 16 measures at the median twice a year. That's a problem: the number one spending issue, 45 per cent of government spending, and the government will not report.

Mr. Speaker, the Alberta Liberals support the current bill, but we support it with amendments to make it the bill that Albertans deserve.

I thank you for the opportunity to participate in this debate. Thank you.

#### The Speaker: Thank you.

Hon. members, 29(2)(a) is available.

Seeing no one, let us move to the leader of the ND opposition.

**Ms Notley:** Thank you, Mr. Speaker. It's a pleasure to rise to speak for the first time on Bill 2, the Alberta Accountability Act. Now, I will say that I find this act somewhat ironic and certainly somewhat symbolic of the record of this government under its new management over the course of the last, I was reminded today, 90 days, I believe. You know, there was much hoopla made out of the fact that everything was going to be different with the new leader. It was like there had been some fairy dust sprinkled over the other 59 members of this caucus, and they suddenly changed into brand new people and were completely disconnected from the record of which they had been a part prior to the selection of the current Premier.

As part of that narrative which they are so desperately attempting to communicate to Albertans, which, I would suggest, is only very cautiously and marginally being processed, let alone accepted, they were going to clear the decks and actually hose down the government with Mr. Clean and make it fresh and sparkling and lemon scented. It was going to be like one of those amazing commercials, you know, where the kitchen suddenly gets really clean after it's been a real mess. That's what was going to happen under this incredibly inspiring new piece of legislation. That's what we were promised.

Like other things that I have observed, more recently over the last 30, 45 days or so, sometimes the delivery is a little underwhelming in relation to the hoopla associated with the promise. I have to say that this act is probably one of the best

examples of the underdelivery problem that, I would suggest, the new management is struggling with right now.

Let me just say that this bill does not by any means secure or guarantee a new level of trustworthiness, openness, transparency, or accountability. Quite the opposite. Now, I will grant you that, you know, this government had a very large mountain to climb, I mean, because there were so many different things and elements that, really, this government needed to address in order to successfully hose themselves down with Mr. Clean. There was just so much stuff to clean up. It wasn't just one kitchen; it was like a block full of frat houses that needed to be hosed down and cleaned up.

You know, it was a bit of a legislative challenge to actually come up with a comprehensive answer to all the malfeasance that Albertans have been subjected to over the course of the last – oh, I don't know. I'm going to pick a number. I'm going to say six years because that's how long I've been elected. I know it actually goes much farther back than that, but I'm just going to pull "six" out of my hat and go with that. Certainly, it was a very steep hill to climb, and I understand that maybe they have not yet reached base camp on this. Fair enough. They're trying, and that's great, but it truly doesn't get it to where it needs to go.

What do we have in this bill? Essentially, we have a few legislative changes that for the most part amount to slightly better than window dressing, the actual legislative changes. I say this because I spent many months reviewing the conflicts-of-interest legislation in committee, and I spent many months reviewing the lobbyists legislation in committee, and I spent many months reviewing the election finances legislation. There's a lot of stuff that needs to fixed, Mr. Speaker.

You know, there are actually reports out there, that are 200 or 300 pages long, filled with recommendations that would actually make this government accountable. This government picked one or two or three or four off of those 300 pages and then threw itself a party. So the cooling-off period has moved from six months to 12 months. Well, you know, there's low-hanging fruit, and then there's fruit that's actually been laying in the yard for a couple of years, and that's kind of what we're at right now because pretty much the rest of the country has moved to that 12 months already. So these guys throwing themselves a party for moving from six months to 12 months is, again, part of that overpromising, underdelivering kind of routine that we're seeing from them.

Definitely, without question, I agree with the previous speakers that they represent teeny-weeny incremental changes and improvements, those small sort of window-dressing legislative changes that were made. You know, sort of imagine an incremental approach to improving accountabilities much like these folks wanted to take an incremental approach to implementing human rights. Same kind of thing.

Anyway, there were a few improvements made that have already been outlined. Of course, probably the biggest pieces of this that the Premier dined out on were the issues of sole-source contracting and severances. Those were probably the ones that he spent the most time dining out on with the media and with potential supporters. The problem is, though, that they're not in here as pieces of legislation; they are in here as directives to the Treasury Board. I'm not entirely sure, but I think that, basically, what that means is that when we had the nicely arranged little conversation with the media yesterday, where it was explained that these Treasury Board directives would be made, quite honestly it is absolutely possible for them to have already undone them and not told us. That's how much clarity and certainty exists with these directives. To promise legislation on something and then replace it with a Treasury Board directive, I mean, is classic bait and switch, folks. It's really classic. I'm not even, you know, being particularly inflammatory. If you looked up "bait and switch" in the dictionary, they would give an example of exactly this. And those were the two main components of the so-called accountability legislation. So we have a bit of a problem.

#### 3:50

The other thing, of course, that I want to say is that I do find it ironic that the two flagship pieces of legislation that this Premier is bringing in are pieces of legislation undoing or attempting to undo the history of his caucus. Again, I would suggest that Albertans might be prepared to consider a different solution to that problem, but we'll get to that later.

So we have this bill that really underdelivers. What are some of the things that we're not dealing with in Bill 2? Well, we're not dealing with the provisions in the election finances act that allow a \$450,000 cheque to be written to this PC government immediately prior to the election when the writer of that cheque is in the midst of lobbying for hundreds of millions of dollars from this government. Call me crazy, but I think Albertans think that's the kind of accountability piece that they would like to see addressed.

#### Some Hon. Members: Crazy.

#### Ms Notley: Thanks.

My Wildrose colleagues suggest that I am being absolutely demanding and crazy in suggesting that we might want to put an end to those \$450,000 E minus seven cheques to the government by people in the midst of lobbying for hundreds of millions of dollars of grant money. So there's an example.

Another example is the degree to which members of the government caucus, who clearly have enhanced access to senior public officials and decision-makers in the bureaucracy, are able to lobby specifically for issues that directly impact their businesses. To me, that's kind of your classic, textbook case of conflict of interest, yet somehow that situation was reviewed and deemed okely-dokely under the current legislation. I would suggest that maybe what we ought to do is fix the legislation so that we don't have those kinds of decisions made in the future because it's . . . [interjections] Look at that. Yeah. It's kind of like The Simpsons as well. It's sort of like a Mr. Burns move, really, some of the decision-making that's going on over there. Yes, if someone over there wants to start petting their cat, I think probably that was what was happening while this legislation was being drafted. Anyway. So there's that. You know, we'd like to see that kind of thing removed.

We would also like to see the situation where we have the foremost, most important environmental regulatory agency in the province, which is making major decisions about the future of this province – we would like the people who are appointed to lead that to be subject to very rigorous conflict-of-interest legislation. Why would we want that? Well, because this government has chosen to appoint people who are leaders from within the very industry that is supposed to be regulated. Again, kind of textbook. If you looked up "regulatory capture," there would be a picture of the AER and its current chair beside the definition. Again, that's the kind of conflict of interest that should be closely monitored. Is it? Nope. Is the conflict-of-interest commissioner able to investigate this? Nope. Does this person report to the conflict-of-interest commissioner? Nope. That's the kind of thing that true accountability would have brought into play but has not.

There are other examples that I'd like to talk about, but I will probably spend some time getting into more of the things that should be included in this by way of talking about why this piece of legislation – while it's all great that we have it named, what we really want to do is actually provide for accountability. The way to do that, Mr. Speaker, is to ensure that a committee that has the true parameters to look at all the pieces of legislation that govern accountability is able to do that. The way this is currently drafted, it's so limited. We're probably going to be told we're not able to actually have the expansive conversation in Committee of the Whole that is required to turn this into a true accountability bill. So what we need to do instead is refer this matter to an all-party committee so that we can look more expansively at those parts of legislation that would at least get us to the base camp of the mountain that needs to be climbed by this government in its effort to ascend to minimal levels of trust, integrity, and accountability to Albertans

I would like, then, as a result, to propose an amendment, Mr. Speaker, and if you would like, I will hand my amendment over to the pages and wait for it to be distributed.

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

We'll allow the pages to distribute the amendment. Would they bring one to me immediately as well?

Hon. Member for Edmonton-Strathcona, if you like, you can read it into the record if it's not too long and then proceed with your debate.

Is that acceptable to all members?

It's not too long, so why don't you read it into the record and proceed onward with your debate on it? We have approval to proceed in that manner.

Ms Notley: I think I actually inadvertently gave out all the copies.

The Speaker: I'm sorry. We have pages who are distributing the copies right now, so carry on with your discussion on the amendment.

**Ms Notley:** Thank you so much. What I would like to do is move that the motion for second reading of Bill 2, Alberta Accountability Act, be amended by deleting all the words after "that" and substituting the following:

Bill 2, Alberta Accountability Act, be not now read a second time but that the subject matter of the bill be referred to the Standing Committee on Alberta's Economic Future in accordance with Standing Order 74.2.

In support of my amendment, Mr. Speaker, as I already started to touch on, the fact of the matter is that there are a number of issues that need to be addressed in order to secure for Albertans true faith in the accountability and trustworthiness of their government. Unfortunately, because the subjects touched on with this bill are so narrowly defined, there are a number of issues which we can't get to.

Now, I've spoken about a couple of them, but I'd like to talk about just a couple more. Albertans were quite concerned fairly recently to observe the practice of a member of cabinet using public dollars in the course of a by-election campaign to queuejump a project, in contravention of sort of the clearly understood public criteria for that project, as part of an election campaign. That, of course, in my view, amounts to a very serious breach of public duty and ministerial responsibility and could be argued to be a conflict of interest. We'll see. I do understand that's under investigation.

Nonetheless, regardless of the outcome of the investigation in that particular case one way to be sure that it doesn't happen again is to amend the legislation to ensure that that kind of thing cannot happen. The best way to do that is to amend our Election Act in a way similar to what's been done in, say, Manitoba to basically ban the by-election bonus practice. So that's yet another example.

#### The Speaker: Thank you.

Hon. members, 29(2)(a) is available. The hon. Member for Edmonton-Beverly-Clareview on 29(2)(a).

**Mr. Bilous:** On 29(2)(a). Thank you very much, Mr. Speaker. I am curious to hear the hon. Member for Edmonton-Strathcona's last couple of points. She had begun to describe some of the changes that she would have liked to have seen in this act, and I'm very curious to hear her thoughts.

Thank you, Mr. Speaker.

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

**Ms Notley:** Thank you very much, and thank you to the Member for Edmonton-Beverly-Clareview for giving me that opportunity. As I said, there are several things which may not be ruled in order as appropriate amendments to this legislation but could be talked about in committee were this amendment to be passed by this Assembly. I've talked about trying to avoid the by-election bonus. *4:00* 

Another one is one that I refer to as the PC Party clause. I believe it's the current Attorney General that will recall the debate that we've had in the past, where the limitation periods for financial transgressions under the Election Act were conveniently amended by this government to ensure that one could not go very far back to review or investigate what would otherwise be illegal donations under the Election Act by public bodies to any political party. But, of course, our concern was specifically with the governing political party because one worries about the negative impact that has on the integrity of governance as a whole.

What happened was that this PC government – I can't remember now if it was 2012 or 2013, but amendments were made to the election finances act to essentially prohibit or limit the period of time that investigations could happen. Of course, there had been public conversations about the fact that some of these inappropriate donations appeared to or had been alleged to have been made outside of the limitation period that the government had conveniently imposed upon the Chief Electoral Officer, so the Chief Electoral Officer was banned from engaging in a comprehensive investigation of that. Now, that, to me, again goes to the heart of the issue of government accountability, yet we are not able to deal with it.

So, clearly, we would like to amend that part of the Election Act because that would get us to genuine accountability. Because the accountability bill that's being brought forward right now doesn't include any amendments to the Election Act, I am concerned that we will be unable to make amendments that would bring in those changes.

Same kind of thing is in relation to what I refer to as the building Alberta clause, and that just relates to the kinds of issues that we've been discussing for the last week and a half, where, you know, we know that our infrastructure is now probably the single biggest crisis, or the second-biggest crisis after the oil crisis, I suppose, facing this province right now because no one has been investing in infrastructure for a decade. So now communities are desperately in need of infrastructure, and it is integrally linked to the quality of public service that is provided. Now we have this question of: how is infrastructure and funding decision-making done? What we need is to make sure that there is So we would like to see amendments made to legislation that would deal with that issue, once again probably outside the scope of this very, very, very narrow so-called accountability bill. That's another reason why we would urge, our caucus would urge, members of this Assembly to support our motion to have this socalled accountability bill referred to a committee, where we could talk more expansively about the many, many pieces of legislation that need to be brought into this discussion if we are going to truly bring about any semblance of accountability to this 43-year-old government, which, just by the way, didn't land here 90 days ago, has actually been here quite some time.

Thank you very much, Mr. Speaker.

#### The Speaker: Twenty seconds remaining in 29(2)(a).

If not, then we will label this amendment R1. Everyone is now able to speak for up to 15 minutes should they wish, and then 29(2)(a) will be available.

Are there any other speakers to amendment R1? The hon. Member for Edmonton-Beverly-Clareview.

**Mr. Bilous:** Thank you very much, Mr. Speaker. It's my pleasure to rise and speak in favour of this amendment that my hon. colleague the Member for Edmonton-Strathcona just put forward. First of all, I'm glad to have the opportunity to speak. This is the first time that I'm speaking to Bill 2, the Alberta Accountability Act. There are quite a few things that I want to share with members of the Assembly on this bill, but because this is my first time rising to speak to the amendment, which is going to refer this back to the Standing Committee on Alberta's Economic Future – I think that the amendment makes a lot of sense.

I mean, you know, quite frankly, there are a lot of issues that this bill doesn't deal with. In its current state it's woefully inadequate. Now, you know, my surprise, Mr. Speaker, was that, again, this bill was touted as the centrepiece of this fall sitting for the PC government, and it falls very short in dealing with a myriad of issues that would actually bring transparency and accountability to all members of the House.

In keeping my speaking to the amendment, I'll just go through some of the reasons as to why I feel that this should be referred to the Standing Committee on Alberta's Economic Future. Like I said, it is a baby step in the right direction, but it doesn't go far enough. I'll save the bulk of my comments on the bill for after this amendment. You know, there are certain areas that should have been included in this bill, as the Member for Edmonton-Strathcona had said as well. The cooling-off periods should be a lot longer when you look at other jurisdictions. Increasing it from what it is currently to 12 months doesn't quite go far enough, in my opinion, Mr. Speaker.

I'd like to see the Conflicts of Interest Act amended so that it applies to people employed by government agencies. You know, I can think of two that I think should fall under the purview of the Conflicts of Interest Act, and those are the Alberta Energy Regulator and Alberta Health Services. I think Albertans would very much like to know. In the spirit of transparency they would like to see legislation that compels the government to publicly disclose criteria for determining public infrastructure priorities, investments, whether it's in the form of a list, but something that's very, very clear that Albertans can see. That way if there is a change on that list, the government is a lot more beholden to Albertans as far as having to explain why projects are shifted around as opposed to where we are currently, which is in the dark, Mr. Speaker. That's something that I would have liked to have seen in this bill, and I think there was a real opportunity when the bill was being written.

I'd like to see, Mr. Speaker, the Chief Electoral Officer with the ability to investigate improper donations – and we're talking about political election donations – because at the moment there are extremely short timelines with which the Chief Electoral Officer is able to investigate any, you know, alleged improper donations. I think we need to give him or her a broader scope and the ability to investigate with a larger timeline.

Mr. Speaker, I'd like to see, as well, changes to this act as far as, you know, promises that are made during elections, especially by-elections, which could be perceived as trying to garner support or votes from constituents. Using one's position to jump the queue to go to the top of the list in order to secure much-needed infrastructure or resources, I think, quite frankly, is wrong and should be disallowed. That's something that the Alberta NDP has spoken on for a number of years so far as disallowing queuejumping. That's one other area that this bill fails to address, which I wish it really would.

#### 4:10

Now, there is an opportunity, of course, when we move into Committee of the Whole to make some amendments to this bill. Similar to my colleagues in the other opposition parties, the Alberta NDP will be bringing forward amendments to this bill as well. You know, Mr. Speaker, what may make more sense here is to just send this bill to committee, which would ensure that we write it and we get it done correctly the first time. The Member for Airdrie already was hoping for new legislation down the road that is an amendment to this act. I think we have a real opportunity to just get it right as opposed to having to bring forward legislation to correct past mistakes.

Interestingly, Mr. Speaker, one of the other centrepiece bills happens to undo the first bill of this current sitting government. Maybe the face has changed as far as who's leading the government, but ironically it was the same group minus three who brought forward a bill that's now being repealed. So it's interesting to see mistakes being made, advice being ignored, and we end up back in the same position. This amendment would save us the time and hassle of going through that, and I will strongly encourage all members of the Assembly to vote in favour of this amendment.

Thank you, Mr. Speaker.

#### The Speaker: Thank you.

Standing Order 29(2)(a) is available. Seeing none, are there any other speakers to amendment R1? I see no others. Are you ready for the question?

#### Hon. Members: Question.

[Motion on amendment to second reading of Bill 2 lost]

**The Speaker:** We are back to the main debate at second reading on Bill 2. Let's see who we have. We're now into the ping-pong, so to speak, starting with a government member, then the Official Opposition, then a Liberal member, and then an ND member if there are any other speakers.

The hon. Member for Edmonton-Beverly-Clareview.

**Mr. Bilous:** Well, thank you very much, Mr. Speaker. It seems the cat has all of my colleagues' tongues. I rise to speak to Bill 2 and to outline some of my comments on the reading of this.

Now, again, this bill does amend various acts that are intended to strengthen accountability and transparency. You know, one of the things that I find fascinating ever since I got elected is the names of the bills. Sometimes up is down and black is white, and it's almost the opposite of what is written in the bill.

This bill, as I mentioned earlier, Mr. Speaker, falls shorter than what I would have liked to have seen in an accountability act. A lot of the changes are fairly minor with what is needed to truly strengthen accountability and will have, in my opinion, very little impact or effect. Some of the challenges are, again, that instead of this bill making firm commitments to the changes that are going to be made to legislation, the government is asking for us to once again trust them as daddy knows best. Now, unfortunately, we have all been here and in the situation of, "Trust us, trust us, trust us," and then, whoops, things finally come to light and are taken to an extreme.

To give some examples here, there were severance payments of over \$1.3 million - and I'm talking about within the last eight months - to the political staff of she who must not be named, some of whom worked only for a few short months before getting a very lavish severance. I've got a few statistics here just in case some of the members either disagree that it's not lavish or, you know - this is something that Albertans really couldn't get their heads around, someone who works as a political staffer for several months and then receives severance packages in the hundreds of thousands. She who must not be named, her former chief of staff took home over \$300,000 in severance, Mr. Speaker, plus an extra \$50,000 of earnings in lieu of benefits and vacation pay of over \$38,000. She who must not be named, her principal secretary and former federal Conservative MP ended up walking out with almost \$200,000 in severance. She who must not be named, her former communications director received over \$100,000 in severance.

Now, Mr. Speaker, I mean, nobody is arguing that severance shouldn't exist in positions that are quite volatile; the issue, that I've heard overwhelmingly from my constituents and Albertans, is when these amounts are completely out of touch with the reality of Albertans. There is no Albertan that I've spoken to or known who, you know, in the span of six months working in a job can earn a severance package or payout of over \$100,000. It seems a little absurd to me. Let me tell you that there was an opportunity to deal with that and ensure that that doesn't happen in the future, and unfortunately this bill falls short of dealing with it.

One of the interesting things is that, you know, two changes made in this bill are being done through Treasury Board directives as opposed to through legislation. One of the challenges that I have is that details need to be included and done through legislation, where we can have an open and honest debate, where all members of different political parties can weigh in with their constituents' perspective and also their political parties' perspective. But as soon as we take details out of legislation and put them into either regulations or directives, now decisions will be made behind closed doors. There isn't an opportunity for genuine public input, and that, if anything, obscures information and goes in the opposite direction of accountability and transparency, quite frankly.

Something that I appreciate in this bill is that high-level political staff will now be subject to the same conflict-of-interest principles that MLAs currently are. Now, one of the questions that I have, Mr. Speaker, is: what kind of enforcement is going to be existing in order to ensure that these staff now adhere to these conflict-of-interest principles? There are examples in the past where I've been confused as to how the laws have been interpreted by former ethics commissioners. I'm not calling into question the judgment of our current Ethics Commissioner, but there were decisions in the past that made me and Albertans scratch our heads. I'm talking about, you know, an MLA who was involved in policy decisions around builders' liens, that was deemed not to be in a conflict of interest just because the builders' liens affect the general public and a broad group of those involved in the construction industry as opposed to the member himself or those very close to him.

I can tell you that when this was being discussed and was, you know, at the top of the minds of many Albertans, there were real questions as to how the legislation was interpreted, how it was carried out, and how what appeared to be a very direct and simple conflict of interest, which was the impression that most Albertans that I've spoken with were under, wasn't interpreted that way, and therefore there was little recourse. You know, that's one of the areas that I was confused around.

#### 4:20

Now, I do appreciate that some language around blind trusts and investment management for securities held by members has been clarified. I think it's a good change. I think it's a fairly minor one, but as I've said from day one, since I've been elected, I have no issues with, you know, giving the government kudos when they make a good decision that I feel benefits all Albertans. I mean, the interesting part is that that hasn't been very often, so I'm happy to say that that was one that I agreed with.

Other minor improvements. Again, as I said, the disclosure forms that political staffers will file and the fact that there'll be an administrative penalty for late filings, I think, are good. The extension of cooling-off periods for former ministers, deputy ministers, senior officials, and the Premier's administrative staff from six to 12 months is a positive step. Again, I would have liked to have seen that extended a little bit longer, to two years. Official staff members now cannot accept contracts from their former departments or act as lobbyists or be a part of organizations or businesses with direct dealings with their departments, and I think that's a positive step as well, Mr. Speaker.

Something that the Alberta NDP brought forward as a recommendation, that I see is in this legislation – we brought it forward in our minority report for the special committee – is that now MLA disclosure statements may be posted to the website of the Ethics Commissioner. Now, we're still not a hundred per cent there because they're not obligated to be posted, but at least they may be, and that's appreciated, when the government takes our recommendations.

Let's see here, Mr. Speaker. What else can I comment on in this bill?

One thing that I would have liked to have seen is a recommendation that was brought forward from the review committee last year, the idea that the Ethics Commissioner should be able to initiate investigations into alleged breaches where he or she has reasonable grounds to believe that a contravention of the act has occurred. I mean, the reason for this is that the Ethics Commissioner is, you know, theoretically the person with the most information about an MLA or staff activities through disclosure statements, and he or she is also the person with the most knowledge and understanding of the conflict-of-interest legislation and standards, so he or she is better placed to determine whether something needs investigating as opposed to just the general public. That's something that would have been nice to have included in this bill.

Again, the changes to section 25 are still quite limited, quite narrow, so the Ethics Commissioner is still limited in launching, again, his or her own investigations where he or she believes that members' staffers breached conditions. The act as well, in my opinion, should allow for anonymous tips to trigger investigations, Mr. Speaker. The recommendation, obviously, wasn't built into this, but by disallowing it or not bringing it into the bill, likely the government has deliberately made it more difficult and less likely for people to report suspected contraventions to the Ethics Commissioner.

Again, I think that it's especially true, Mr. Speaker, for those who would have the most knowledge of possible contraventions, which are those working in the public service, who might be rightly concerned about their employment security if reported. Again, this brings me back to a piece of legislation we debated last year, which was the whistle-blower protection, which was extremely watered down and really not going to protect the very folks who can provide the best oversight and feedback. So that's something that, again, should have been included in this bill, and it would have given it much more teeth.

As far as some of the changes to the Lobbyists Act, the way that it's currently written, Mr. Speaker, is a little bit of a concern. For example, legislation previously required public servant positions and their term of office to be included – oh, I'm speaking of a return, and now it only applies to public servants who've held their positions within the last two years. That brings questions to mind. I don't know if two years is sufficient. It means that if more than two years have passed, in other words, any connections to the government as a paid consultant or a lobbyist may not be known. Again, we're looking at imposing very short timelines and decreasing the ability to investigate and to look into lobbyists and ensure that that is being reported publicly.

You know, Mr. Speaker, this bill has quite a few changes, again, some not as significant as we would have liked. We will be bringing forward amendments, so at the moment I will likely be supporting this and hope and urge the minister and all members of the Assembly to seriously consider amendments coming forward.

Thank you, Mr. Speaker.

#### The Speaker: Hon. members, 29(2)(a) is available.

I see no one. Are there any other speakers at second? The hon. Member for Calgary-Mountain View.

**Dr. Swann:** Thank you, Mr. Speaker. It's my pleasure to speak to this important bill, Bill 2, Alberta Accountability Act, to the principles of the bill. Who could question the value of accountability, which goes hand in hand with transparency, which are two terms that we hear over and over and over again from every new administration in Alberta since I became elected 10 years ago? Clearly, there is a need for rebuilding trust in this province, a key issue for this government, after 43 years and a progressive lost of trust and accountability, as we've seen, well, certainly in the last few years more powerfully than ever.

Albertans, first and foremost, want to believe that government is there to act in their interest and not only their interest but in the long-term interest, not the short-term, financial bottom-line interest, on everything. But the decisions, the processes that we follow, the access to information, the ability for citizens to hold a government accountable for its decisions, whether it be on spending or policy decisions, whether it be the funding that goes to nonprofit societies or charitable organizations or to publicly funded institutions or, indeed, to subsidize the oil industry: all of these have a show of return on investment for citizens and taxpayers, and that's been sorely lacking.

We welcome the opportunity to again raise issues of public accountability, conflicts of interest, the appointments process, which increasingly has been called into question, not least because a man who has championed that cause in coming into the leadership of the PC Party has already appointed half a dozen people without the same respect for due process and, in some cases, even elections. There's lots of skepticism, lots of cynicism in politics today, and I think there's a serious need to again address the issue. Words are one thing; actions have to follow the words. I think that people are watching carefully to see that this government actually is not only under new management but that they are actually going to provide the kind of openness and responsiveness and adherence to basic principles of honesty and integrity and due process that most citizens respect and most corporations respect. We've got a long way to go.

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This bill proposes to amend the Conflicts of Interest Act, the Lobbyists Act, and the Public Service Act and undo the legacy of the last 20 years, where increasingly people have lost a sense of both direction for this government and respect in terms of their interests being represented. Not that any individual over there would violate some of these principles in their own personal lives, but collectively it seems that behind closed doors, when political interests and financial interests actually come to the fore and a small group of men and women make the decisions, it consistently seems to happen that political advantage and financial advantage seem to be the norm in Alberta.

Albertans, understandably, are fed up, Mr. Speaker. There's a consistent message that I get that if people are still engaged in any way in the political process – if they are still engaged – there is a tremendous skepticism and a tremendous sense, in some cases, of despair that we're going to see any improvements in the quality of political decision-making, long-term planning, any kind of vision that reflects the values of our children and our grandchildren and, as the First Nations would say, seven generations from now, as opposed to short-term personal political interests that continue to dominate, as we've experienced.

The key changes, as the bill proposes, would extend the cooling-off period for elected officials, political staff, and senior civil servants who leave government to a full year from six months. Presently the Conflicts of Interest Act specifically prohibits former ministers from accepting employment or soliciting or accepting a contract or benefit from a department of the public service or a provincial agency with which the former minister had significant dealings during the former minister's last year of service as a minister for a period of 12 months after ceasing to be a member of Executive Council. The Conflicts of Interest Act places similar restrictions on former political staff members for a period of six months, which is progress, Mr. Speaker.

Deputy ministers and other senior civil servants identified in the regulations are also presently subject to a six-month cooling-off period pursuant to the Public Service Act. Politicians and political staff must now wait a full year after leaving government before taking on lobbyist work, and breaking this rule has a fine associated with it of \$50,000. High-ranking political staffers must now disclose financial conflicts of interest, and these will be published online. Late filers could be fined up to \$500.

The bill introduces rules to enforce the distinction between government consultants and registered lobbyists. A single person can no longer work as a consultant informing government at the same time as he's working as a lobbyist attempting to influence government. What a shock, Mr. Speaker, that we're dealing with this in 2014, that somebody can't be a consultant and a lobbyist at the same time. Wow. Rules concerning gifts and benefits are more detailed, and noncommercial travel, say a trip to Fort McMurray on an oil executive's jet, is now subject to tougher rules and must be disclosed within 30 days.

Also, the power of the Ethics Commissioner has been significantly expanded. At the same time we're concerned that the power of the Ethics Commissioner to exempt ministers from the cooling-off period has been in place and has been used by this government in the case of Evan Berger from southern Alberta. The former agriculture minister, after he was not elected, was then appointed to a similar role in agriculture. Appalling commentary on the current rules and the Ethics Commissioner at the time.

So some of these look like positives, and there's no question that we can support these.

One of the things it doesn't do despite earlier intimations from the Premier is that the bill does not amend the Financial Administration Act, which requires the province's finances to be presented in a clear, consolidated format, or require biannual report cards on the province's savings.

The other big issue, I guess, that we've been raising consistently in the House is the issue of an independent commission to manage public appointments in Alberta. This does seem like a no-brainer, and I'm certainly puzzled, personally, why this would not be embraced by a Premier who wants to distance himself from charges of cronyism and favouritism and failure to honour his commitment to merit over Tory connections. But it doesn't appear that that's going to fly with this government.

In Ontario the Public Appointments Secretariat independently manages the recruitment and vetting process for candidates seeking appointments to agencies, boards, and commissions. It was set up 23 years ago, incidentally, under Bob Rae's NDP government. It's interesting that this government can't see 23 years later that that is a very reasonable and responsible decision, to distance itself from the charges of favouritism and cronyism which continue to plague this government.

The Premier was a key member of the federal Conservative government that brought in the public appointments commission in 2006, a body that was supposed to be the centrepiece of Stephen Harper's much-touted accountability policy, and the mandate was virtually the same as the Ontario Public Appointments Secretariat. In theory the public appointments commission was supposed to oversee the hiring process for hundreds of federal boards and agencies. It could do so here with great benefit to both this PC government and to the public. All of us, I think, could feel better about appointments if it was an independent commission.

In announcing the Alberta Accountability Act, the Premier said that his cabinet will appoint people on boards and agencies strictly on merit and not on political or personal ties. However, without any independent vetting of prospective candidates the Premier will still be able to appoint people according to his own biases and narrow definition of merit. We've seen examples of this already with the appointments of Ron Hoffman and former Conservative MPs Jay Hill and Rob Merrifield. So it's clear that the Premier will not hesitate to appoint political friends and colleagues to positions that he chooses.

Somehow these are different, according to the Premier. They "were carefully selected as the most qualified people for the position," to quote his news conference on September 24, 2014. Notwithstanding the Premier's assurances the only real way to ensure that public appointments are based strictly on merit is to take them out of the governing party's hands. It's a no-brainer; have an independent commission manage the recruitment and vetting process for prospective candidates. Again, it's unlikely to happen, Mr. Speaker, and raises serious questions about how serious this government is in relation to changing the channel on accountability and transparency.

We on this side of the House would also like to see an independent budget officer modelled after the federal parliamentary budget office. This would provide more confidence and more objective, I think, reporting and accountability.

We certainly support the cooling-off period for elected officials and political staff and senior civil servants. What we would like to see are some penalties for those who flout the new rules. We would also insist on the closure of the loophole which allows a cooling-off period to be waived by the Ethics Commissioner.

The elimination of sole-source contracts is welcome. It's incredible, again, that we're dealing with the issue of sole-source contracts in 2014 as a continued thorn in this government's side. We would repeat calls for the government to disclose particulars of all contracts valued at \$10,000 or greater. Particularly, I find it egregious that P3s are not made public. These are an increasing vehicle for this government to hide its debt and to give the impression that we are further down the line in terms of infrastructure than we are. It's troubling to me that despite these kinds of favourable arrangements, studies continue to show they benefit far more the corporations than they do the long-term public interest. Despite that, we still can't get access to these contracts. I guess I would wonder if that should not also be part of this accountability act.

#### 4:40

There is a prohibition against stacking of smaller contracts, and we certainly support that and condemn in no uncertain terms the past practices of stacking the smaller contracts.

This side believes and we've said since 1993 that government appointments should be advertised, interviewed, and decided on through impartial bodies such as the personnel administration office and the Public Service Commissioner. That we said in 1993. There's no question that much of what this government talks about is excellent public policy, and they won't find any objection to it here. What we would like them to do is to do it fully the first time, show a real commitment to having the best, strongest independent decision-making around finances and appointments of anywhere in this country, not just the claims but the reality.

In October 2014 the Auditor General made it clear that the government's own procurement rules and those established under the province's various trade agreements – the trade, investment, and labour mobility agreement, for example; the agreement on international trade; the New West Partnership; and the agreement on government procurement – were not followed in the awarding of contracts to Navigator, for example. Of course, the excuse was that this was an emergency.

We clearly also agree that there is a need to return to a consolidated budget format. We endorsed that in 2014 in a policy resolution and are pleased to see that. It's of note that past Treasury Board presidents in the PC Party also supported that.

Thank you, Mr. Speaker.

**The Speaker:** Standing Order 29(2)(a) is available, hon. members, if anyone wishes to take advantage of it.

If not, are there any other speakers at second?

I see none, so the hon. member to close debate.

**Mr. Denis:** I would just like to thank each one of the members for their contribution, and I would move that we close debate.

[Motion carried unanimously; Bill 2 read a second time]

#### Government Bills and Orders Committee of the Whole

[Mrs. Jablonski in the chair]

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

#### Bill 11 Savings Management Repeal Act

**The Deputy Chair:** Are there any comments, questions, or amendments to be offered with respect to this bill? The hon. Member for Edmonton-Beverly-Clareview.

**Mr. Bilous:** Thank you, Madam Chair. I'll keep my comments brief. You know, I really just wanted to mention the fact that, well, Albertans need to be reminded that this was a bill – I believe it was the centrepiece of this current government under a different leader – that was the centrepiece of this government, and now it's being repealed, which I find very, very interesting.

We are in support of the repeal, so we are in support of this bill, as we were opposed to this government's Bill 1, the Savings Management Act, which had those very contentious and untested social impact bonds, and we spoke at length as far as our concern. The bill was introduced in March of 2014 and came into force on April 1, and it's kind of ironic that eight months later here we are discussing it yet again. Only this time it's being completely yanked.

The concern, very quickly, Madam Chair, was the fact that the bonds were profit-driven, government-funded business deals. They were about, you know, providing investment dollars, not about public services. Many people had spoken against this concept. Now, let's see here. To quote Ricardo Acuña, who is the executive director of the Parkland Institute, his comments about social impact bonds: the reality is that these schemes will only serve to further pad the bank accounts of wealthy investors while turning the very concept of public services on its head and eliminating funding for a broad range of projects and activities.

Madam Chair, one of our biggest concerns was that this was effectively a way for the government to yank or hold back dollars for services that the government should be providing. You know, our social programs are very, very crucial – many Albertans rely on them – and this untested method of using social impact bonds was the cause of a major concern.

Basically, Madam Chair, when we look at the value of our public programs and services, they need to be properly and adequately funded. So the theme of today and especially this month, looking at the price of a barrel of oil and how much it's dropped, really should spur this government on to having conversations about other ways to ensure that we have a steady revenue stream and that everything from schools and hospitals to roads and municipalities will and should have stable, predictable funding. But as long as a large percentage of government revenue comes from the volatile prices of our natural resources, it basically means that, you know, whether it's a hip replacement for grandma or a classroom with an appropriate number of students as opposed to 40 or 50 in a classroom, we are dependent on the price of a barrel of oil, which seems quite ridiculous.

Again, I'm happy to see that this bill is going to repeal the Savings Management Act, but I do find it interesting that not eight months ago there were a number of MLAs on the other side that vehemently spoke in favour of Bill 1 and how fantastic it was. I believe there was unanimous support on the PC side for this bill. I don't think there was any member that was opposed to it. I know our caucus, the Alberta NDP caucus, was opposed to it, and I believe there were other members of the House as well. I find it very, very fascinating, Madam Chair, that eight months later we're here, and suddenly everyone has changed their tune. Now it's, "Yeah, that was a bad idea; that was a bad idea," but eight months ago it seemed like a brilliant idea for some.

#### 4:50

I think it's important that Albertans are reminded that there are many examples of bills that have been brought forward hastily, poorly written, and without adequate and proper consultation, which then have to get yanked or paused or repealed, Madam Chair. I mean, a great example of this was Bill 10 last week, that has been put on hold because it falls into that category of hastily written, inadequate, and improper consultations. And here we are repealing Bill 1 from the spring.

I will take my seat, Madam Chair. I'm glad to see that this bill has come through. I hope that members opposite are learning lessons with pieces of legislation that shouldn't be brought forward to begin with so that they don't waste the time of the Assembly and we don't have to sit here and repeal bill after bill. Like I said, I find it quite ironic that we're here.

Well, there you go. I just found my numbers. I guess our oil revenues contribute about 25 per cent of our revenues. You know, as long as we are heavily reliant on that to fund our day-to-day and our programming, those services and programs will always be in flux or on the brink of being underfunded. I mean, should something happen, then the funding gets yanked out from under them. There's a list of education programming cuts and human services cuts in 2013 that affected thousands of Albertans, and Albertans are still reeling from a lot of those cuts.

You know, it's quite frustrating. I often get asked, Madam Chair, by Albertans who look and recognize the fact that Alberta is the wealthiest not just province in the country, but we're one of the wealthiest jurisdictions in North America, yet we can't adequately fund our schools, our roads, our hospitals, our bridges. Our municipalities all have skyrocketing infrastructure debt, which is basically kicking the can down the road and placing a burden on future generations. That, I find, is very disingenuous and completely unnecessary.

If we actually addressed the issues facing the province today with an open mind and a frank discussion, we should have the amenities, the services, and the dollars to ensure that our facilities are well maintained and that we have the programs being offered while simultaneously building up our heritage savings account and not drawing the interest out of it every year to pay for operational purposes. Those dollars should be left for the long term. We should be looking at truly diversifying our economy beyond, you know, the rip-and-chip mentality, Madam Chair. As my colleagues have often spoken about, we are strong advocates of value-added, of upgrading our product here in the province, keeping the quality of long-term jobs here, and ensuring that we have the dollars to provide the services and amenities that Albertans rely upon.

With that, Madam Chair, I will take my seat. Thank you very much.

The Deputy Chair: Thank you, hon. member.

Are there any others who wish to comment or question? The hon. Member for Edmonton-Strathcona.

**Ms Notley:** Well, thank you, Madam Chair. This is my first opportunity to rise to speak to Bill 11, the Savings Management Repeal Act. This act continues a theme of this session. I might call

it the do-over session. It's just one big do-over. Everything that these guys were absolutely, fully committed to, they were passionate about, they were going to change the world eight months ago, well, now we're going to have a do-over. We're reversing, you know, reversing our plans. Bill 1: do-over. Bill 2: let's prevent ourselves from being super unaccountable, for lack of a more inflammatory term, and because we kind of have been in the past, so this is our signal of a do-over. Then we have Bill 11, which is do-over 3.0. That's what this one is, so there you go.

It's really tempting to do the whole I told you so thing because on most of these do-overs, of course, we did in fact tell you so, and this is one of them. When this awe-inspiringly aspirational piece of life-changing legislation was introduced with much fanfare last spring – Bill 1, was it? – I believe in March 2014, the world was going to be a much better place thanks to it. Now, of course, we are repealing it.

In principle we are in favour of repealing it because at the time we had some fairly serious concerns about it. One of the things that we were most concerned about, of course, was its authorization of this new experiment called social impact bonds, which we were deeply suspicious of and deeply concerned would ultimately result in some very serious wastes of money along with the commercialization and marketization of, generally, people's suffering throughout the province. So there were a lot of reasons why we were truly not in favour of it, and we are certainly glad that this is something that we are now backing away from.

As my colleague from Edmonton-Beverly-Clareview has already noted, savings and financial management, you know, is not as complicated as everybody might suggest or as this legislation's predecessor would have suggested. It's just about having more revenue than expenditure and having the commitment in the value of the public service, in the public interest to ensure that you generate adequate revenue even when it involves asking your well-heeled friends and insiders to forgo a fourth condo in Hawaii and instead pay a fair level of income tax.

That's really what leadership comes down to, and most other jurisdictions have managed to demonstrate that leadership. Here, this government has been coasting on a windfall over which they really had no responsibility. Now we're in a position where we seem to have a big gap between our spending and our revenue. So this bill was designed to do a bunch of things in theory to address that, although we never believed that that's actually what this bill would have achieved — not the bill that we are discussing, but the bill that this bill is repealing is what I'm referring to — and instead was getting into lots of exciting new ways to generally subvert the most direct path towards the provision of good public service with a whole bunch of money-making opportunities for, you guessed it, friends and insiders.

It's good that we're backing away from it, but I would also suggest that as we do that, we should also pair it with a simple, honest debate. I won't use the "conversation" word because it's still on my blacklist of words, but a simple, honest dialogue, shall we say, a forum, with Albertans about: "What are the services we want? What are the services we're prepared to pay for? Do we think the folks that are really, really doing super, super well in this province, maybe, they might want to start paying their fair share instead of capitalizing on the free ride?" You know, whether or not we're prepared to have that discussion with Albertans. I think that we would then not be compelled to play all these games: you know, which account we're putting which money into at which point.

#### 5:00

In any event, we are not going to spend a lot of time on this except to say that we do support, for the most part, the repeal. We would like to see the government commit to responsible savings. The government has found a new statistic on Norway which, I think, does not take into account all the money that they've saved or that's in a separate fund. Nonetheless, you know, there are examples out there of responsible financial management when one is in the position of being a steward over an unprecedented amount of windfall in nonrenewable resource revenue, and there are the examples set by this province, and those are two separate things.

I would suggest that, going forward, what we need to do is look to those jurisdictions which have more successfully converted that nonrenewable resource into a long-standing asset for not only this generation but generations to come and do so in a way that responsibly balances the budget while maintaining the integrity of public services that support equality of opportunity and fairness in prosperity and all those kinds of good things that we in our caucus think are important to Albertans.

With that, I will take my seat and look forward to further debate on this issue. Thank you.

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

Are there any others who would like to comment or question? The hon. Member for Calgary-Mountain View.

**Dr. Swann:** Thank you very much, Madam Chair. I'm speaking to Bill 11, the Savings Management Repeal Act. This caucus didn't support the Savings Management Act for a number of reasons when it was passed less than a year ago, so we can't say that we object to its repealing now. However, it does raise the opportunity to ask for some consistency, I guess, in the responses across the floor.

During the 2014 PC leadership race our current Premier agreed with Ted Morton about the need to entrench into law a savings formula for the heritage fund so that it can't be changed at the whim of a future government, and he committed to putting 50 per cent of all future government surplus into a debt retirement fund and the other 50 per cent into the heritage fund. Neither of those is found in Bill 11, unfortunately, so it does raise some interesting questions about the opportunity that's missed here if we don't honour our commitment to the heritage savings fund and look at a long-term, nonrenewable resource revenue savings plan for our future.

Again, I can't help but comment on the enthusiasm with which the original Savings Management Act was embraced under the former Premier, her flagship bill in the spring legislative session. There's an irony here and, I guess, again, a question of trust that's being raised when a government within the space of 12 months can unanimously support a bill and then unanimously will now be seen to repeal the bill. It does not give the impression of vision, a plan, leadership. It may be under new management, but it's clearly lacking in the kind of leadership that I think Albertans are wanting to see.

A luminary, the former Finance minister, in supporting this initial Savings Management Act 12 months ago, was quoted as saving:

Albertans have told me they would like to do more with our savings. [This management act] allows us to take a portion of our savings, which we are committed to growing each and every year, and do something meaningful for Albertans.

It highlights, again, the historic abdication of responsibility to future generations when since 1977 \$216 billion was brought into

the heritage fund, and less than 6 per cent of that - less than 6 per cent of that - has been saved, pretty much the same heritage fund that Peter Lougheed left in 1982. In fact, in 1987 this PC government stopped making any deposits at all into the heritage fund.

The Calgary Chamber of Commerce calculated in 2011 that had Alberta continued to save 37 per cent of resource revenue, as was the case under Peter Lougheed, the heritage fund would now be worth \$128 billion. What a gift to present to future generations if there had been some leadership here. The government at the time, again in promoting the Savings Management Act, touted that this would ensure that we had the kind of investment in trades and technology and apprenticeships that would help build the skilled workforce that Alberta needs. Somehow that has gone by the wayside. The agriculture and food innovation endowment fund, which had merit in terms of investing in diversification and competitiveness, was also not seen as a priority for this administration.

Again, it just simply raises questions for many people in Alberta, including this side of the House, on just where this government is going and, if there's an election and this government should decide on a new leader, whether we're going to change directions yet again, Madam Chair.

Yes, we will be supporting this repeal act, but it raises serious questions about leadership today in this government and in this province. It's an appeal, I guess, to ask this government to be more thoughtful about its planning, about its consultation, about developing a longer term vision for Alberta, something that people can count on, something that we can have some confidence in and that can give us all a reason to believe that there is a longer term investment in our future, that we're protecting future generations, that we happen to know where we're going, and that we're not going to be chopping and changing every year around new priorities relating to political interests.

Thank you, Madam Chair.

The Deputy Chair: Thank you, hon. member.

Are there any other members who wish to speak on Bill 11 in committee?

Are you ready for the question on Bill 11, Savings Management Repeal Act?

Hon. Members: Question.

[The clauses of Bill 11 agreed to]

[Title and preamble agreed to]

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

Hon. Members: Agreed.

The Deputy Chair: Opposed? Carried.

#### Bill 9

#### **Condominium Property Amendment Act, 2014**

The Deputy Chair: Are there any comments, questions, or amendments to be offered with respect to this bill? The hon. Member for Olds-Didsbury-Three Hills.

Mr. Rowe: Thank you, Madam Chair. I rise today to table the first of four Wildrose amendments to Bill 9. I have the requisite copies here.

The Deputy Chair: We'll pause for a moment while we get the amendment distributed. Just give us a minute.

Mr. Rowe: I'm sorry. I didn't hear you.

The Deputy Chair: Just wait a minute until we get some of the copies of the amendment distributed.

Mr. Rowe: Thank you.

5:10

The Deputy Chair: Hon. members, while it is being passed out, I'll just let you know that this will be known as amendment A1. Hon. member, you can proceed.

Mr. Rowe: Thank you, Madam Chair, This amendment seeks to clarify the difference between rules and bylaws. Bylaws are voted on by the owners and are the binding laws within the condo whereas rules can be made by the board for smaller things which are considered more or less nonessential. This bill in its current state leaves room for boards to establish rules that are overreaching and should require ownership to pass them in the form of a bylaw. This amendment helps clarify the boundaries between rules and bylaws.

I would ask for the co-operation of the members to pass this amendment. Thank you.

The Deputy Chair: Are there any other members who wish to speak on amendment A1? The hon. Minister of Service Alberta.

Mr. Khan: Thank you, Madam Chair. I'd like to thank the hon. Member for Olds-Didsbury-Three Hills. We've had a chance to look at this amendment, and we actually think this is a good amendment. It's an amendment that helps offer some clarity, and it's an amendment that will help strengthen Bill 9. I stand here to say that I support this amendment.

The Deputy Chair: The hon. Member for Edmonton-Beverly-Clareview on the amendment.

Mr. Bilous: Yes. Thank you, Madam Chair. I rise to speak in favour of this amendment. I think it's important to have clarity when we're looking at the ability for condo boards to write their bylaws, which deals with the issue of governance, and also to clarify procedures that are used.

I also want to thank the Minister of Service Alberta for accepting this amendment. Again, as I've always said, I will give credit where credit is due, and I very much appreciate it when the government accepts amendments that improve and strengthen a bill based on merit and discounting all political partisanship.

With that, I will take my seat and support this amendment. Thank you.

The Deputy Chair: Thank you, hon. member.

Are there any other members who wish to speak on amendment A1?

Seeing none, shall I call the question?

Hon. Members: Question.

[Motion on amendment A1 carried]

The Deputy Chair: Are there any other members who wish to speak on Bill 9, the Condominium Property Amendment Act, 2014, in committee? The hon. Member for Edmonton-Beverly-Clareview.

The Deputy Chair: Just give us a minute while we distribute the amendment, please. This amendment will be known as A2.

Hon. member, you may proceed.

Mr. Bilous: Thank you, Madam Chair. Shall I read the amendment into Hansard?

The Deputy Chair: Yes. Go ahead and read the amendment.

Mr. Bilous: I'm moving on behalf of the Member for Edmonton-Calder that Bill 9, the Condominium Property Act, 2014, be amended in section 45 by adding the following after the proposed section 67(1)(a)(iii.1):

(iii.2) the conduct of a person that has entered into a management agreement with a corporation if that conduct is oppressive or unfairly prejudicial to the corporation, a member of the board, or an owner,

Quite simply, Madam Chair, what this does is that it adds property managers to the people whose conduct is discussed in the act and who can be disciplined for inappropriate conduct under the act.

Now, Madam Chair, this is important because many condo boards and corporations employ people to look after the premises on their behalf. Because there's no regulation of these people currently, this is an interim step to try to provide those who live in condos some type of recourse should these people behave in a way that is oppressive or that otherwise harms the enjoyment of their property.

I will take my seat and urge all members of the Assembly to support this amendment. Thank you.

The Deputy Chair: Are there any other members who wish to comment on amendment A2?

Seeing none, are you ready for the question?

#### Hon. Members: Question.

[Motion on amendment A2 lost]

The Deputy Chair: Going back to Bill 9, Condominium Property Amendment Act, 2014, are there any other members who wish to comment or who have amendments for this bill? The hon. Member for Olds-Didsbury-Three Hills.

Mr. Rowe: Thank you, Madam Chair. I have a second amendment to table. I have the requisite number here, and I will sit down until we get them distributed.

The Deputy Chair: We'll pause for a moment while the amendment is distributed. This amendment will be known as amendment A3. Hon. member, you may proceed.

Mr. Rowe: Thank you, Madam Chair. This amendment helps to alleviate some of the concerns held by many condo owners that the condo corporation is held responsible for the negligence and damages of one owner. My amendment adds protection for responsible owners and allows them to recoup their costs more quickly. One example of where this amendment will help is when a frozen water pipe bursts. As the example was explained to me, if one resident leaves her window open and the pipes burst, damaging many other units, the condo corporation, a.k.a. the other owners, by default are responsible for the damages. This amendment would put in legislation the board's right to seek costs

associated from the negligent individual. Quite simply, good owners shouldn't be paying for bad owners.

Thank you, Madam Chair.

The Deputy Chair: Thank you, hon. member.

Are there any other members who wish to comment? The hon. Minister of Justice and Solicitor General.

Mr. Denis: Thank you very much, Madam Chair. I know that the Member for Edmonton-Beverly-Clareview has some amendments coming in, and they're not quite ready yet. Having regard to that, I'm just going to carefully examine this particular amendment, because this member has been playing quite good ball with us.

Now, I speak as someone, Madam Chair, who owns three condos, and before anybody starts talking about this, they have been disclosed to the Ethics Commissioner.

5.20

The one issue I have with this particular amendment, Madam Chair, is that this could create a preference of one person's debt or another. So if you have a condo board who wants to seek contributions from a negligent owner, it seems to me that if that owner was owing other people money, had other judgments against them, that that same judgment would not have the same force or effect as this particular item. This member's amendment may be very well intentioned, but at the same time I'm concerned that it may create a preference of one debt over another. If you have a judgment against a particular person – the Latin term is pari passu – they would rank the same as one or the other.

So I'm not interested in supporting this particular item, but I would refer it to the Minister of Service Alberta.

#### The Deputy Chair: The hon. Minister of Service Alberta.

Mr. Khan: Thank you, Madam Chair. I'll speak very briefly to the bill, but I do want to thank the hon. Member for Olds-Didsbury-Three Hills for rising and offering the amendment. You know, although the spirit of this amendment, I think, is very well intentioned and speaks to some real issues, it's the opinion of our department that we do actually have coverage for these issues within the act that are sufficient.

For those reasons, I will not be supporting this amendment. But I do appreciate the spirit, and I thank the member for bringing it forward.

The Deputy Chair: Thank you, hon. minister.

The hon. Member for Olds-Didsbury-Three Hills.

Mr. Rowe: Thank you. Just for clarification here, the way it was explained to me is that in most cases – in fact, I can't think of any that wouldn't be – damages like these would be covered by the overall insurance company or their package for the whole condominium project. There would be a deductible on that, and all this amendment is seeking is restitution for the cost to the condo association of those deductibles. It's not like they're expecting the negligent owner to pay for all of the damage for the whole building; it's just the deductible.

Thank you.

The Deputy Chair: Thank you, hon. member.

The hon. Member for Edmonton-Beverly-Clareview.

Mr. Bilous: Thank you, Madam Chair. I have a question to the mover of this amendment. It provides a tool to the condo board to recoup, as you said, the insurance deductibles for, say, a broken frozen pipe. My question is: will that come from the person who, say, left the window open? Who is paying the deductible? Who is the money coming from?

**Mr. Rowe:** Well, apparently, it's coming from the association, the whole condo board's funds. We're saying that it shouldn't do that. All responsible owners shouldn't be paying the total bill for the negligent owner. The negligent owner should have to pick up the deductible.

The Deputy Chair: Thank you, hon. member.

Are there any others who wish to comment? [interjection] The hon. Member for Edmonton-Strathcona. Please speak through the chair.

**Ms Notley:** Thank you, Madam Chair. Through you to the mover of the motion my question is: what is the process that the mover of the motion anticipates for establishing the issue of fault and the issue of negligence on the part of the alleged wrongdoer? I can see a scenario where the condo board says, "This is your fault," and the alleged wrongdoer says, "No, no. This happened because of the systemic problem, and it happened to first become obvious in my unit, but it's actually related to other systemic issues." So I can just imagine there would be a need for a dispute resolution mechanism before this authority could be exercised. I'm just curious as to what is the anticipated dispute mechanism for before this authority is exercised.

The Deputy Chair: Thank you, hon. member.

Let's keep the noise level down a bit, please. It's getting a little high.

**Mr. Rowe:** Well, this issue, while it seems straightforward, I think, is a perfect example of the complexity of this whole bill and the reason that we wanted to take it back to committee. That was refused.

Now, I'm not a lawyer. That's a problem with this bill; it is immensely complicated. There are several lawyers that have worked on this bill for days, the short days that we've had to work on the bill. I wish I had a clear answer for that. It may be able to be dealt with in regulations that will follow, some mechanism like that. But I still go back to the fact that all owners shouldn't be paying for the bad owners.

Thank you, Madam Chair.

The Deputy Chair: Thank you, hon. member.

Are there any others who wish to comment or question on amendment A3?

Seeing none, I'll call the question.

[Motion on amendment A3 lost]

**The Deputy Chair:** Back to the bill in Committee of the Whole, Bill 9, Condominium Property Amendment Act, 2014.

The hon. Member for Edmonton-Beverly-Clareview.

**Mr. Bilous:** Thank you very much, Madam Chair. I have another amendment that I would like to move.

**The Deputy Chair:** We have another amendment that will be distributed. We'll just pause for a moment while that amendment is passed out. This will be known as amendment A4.

Please continue, hon. member.

**Mr. Bilous:** Thank you very much, Madam Chair. I'll read this for the record. I am moving that Bill 9, the Condominium Property Amendment Act, 2014, be amended as follows; (a) section 6 in the

proposed section 13 is amended by adding the following after subsection (2):

(3) Notwithstanding any other provision in this Act, if a delay in occupancy of a unit is more than 90 days beyond the occupancy date set out in the purchase agreement, the purchaser may rescind the purchase agreement without penalty and the developer shall, within 15 days from the developer's receipt of a written notice of the rescission from the purchaser, return to the purchaser all of the money paid in respect of the purchase of the unit.

And (b) section 55(a) is amended by striking out the proposed clause (c.6).

Madam Chair, this amendment is designed to strengthen the protection for condominium owners. Basically, this is a change from Bill 13, the previous incarnation of Bill 9, which is not in the interest of consumers. There's a change respecting Bill 13, section 13.1. Basically, what this is is that from time to time there are delays when a unit will be ready for occupancy. Sometimes these delays may be months or years.

Now, currently the options available to a purchaser are set out in the purchase contract. These contracts are drafted by developers and often tend to be slanted in favour of a developer. Industry practice is that it is the sole discretion of the developer to return the deposit money or retain the money should the project have delays. Our amendment takes the remedy for these delays out of the regulatory powers granted to the Lieutenant Governor in Council in the act as it currently exists and places it into the legislation with clear rules. You know, I feel very much, Madam Chair, that this provides a much stronger, more robust consumer protection, especially for those who experience occupancy delays, and it is much stronger than what the current legislation provides. At the end of the day, this is about trying to ensure that condominium owners are protected as much as possible.

Yes, I acknowledge that sometimes there are unforeseeable delays in the construction and building of a new complex. However, you know, I think of examples of families that are planning to move and a delay is suddenly a year or longer than a year. Say, obviously, they find a place that is available. What tools do they have at their disposal to get their money back from the developer? Yes, there are some out there that are very cooperative with purchasers in getting the money back. Unfortunately, again, in order to ensure that individuals and purchasers are protected and aren't taken advantage of, we need to see this spelled out in legislation. I don't think it's good enough to say that this is in regulations and that the Lieutenant Governor in Council can make these changes or will ensure that purchasers are protected.

I urge the hon. minister and members on the other side to ask any questions, if they have any, but to seriously consider this amendment. Thank you.

**The Deputy Chair:** Thank you, hon. member. The hon. leader of the ND opposition.

**Ms Notley:** Thank you, Madam Chair. I rise to support this amendment, and it really strikes me as being a critical and important amendment. First of all, just to back up a little bit, almost all Albertans, frankly, probably 75 per cent of Albertans, will tell you that the biggest investment they will make in their life is in their home. That's the first thing. Now, amongst that group a growing and growing number of Albertans are making that investment into condominiums because it's the most affordable way, and with any luck someday we may actually move toward a

<sup>5:30</sup> 

more dense urban development strategy so that people are more likely to live in condominiums.

That being said, this is an issue that will only grow in importance over time. It is critically important to the people, the consumers, who invest in them, and it is a growing area of concern for all Albertans as they move forward. That being said, this legislation is fundamentally important, and we are very concerned about ensuring that Albertans who are the consumers of this increasingly popular and fundamentally important product, for lack of a better word, are protected. So the concerns that we are raising today through these many amendments all reflect a desire on our part to ensure that consumers, regular Albertans who make the biggest investment of their lifetime, are protected in the process of doing that.

Condominium development is not a complication-free process. When it comes to one condominium owner or even the collection of condominium owners in relation to the often exceptionally strongly articulated rights of the developer, there is the potential for problems.

Now, one of the problems that this amendment attempts to address, of course, is the problem with delays. People, again, will save up. They will have finally paid off their student loan and will be actively saving up in order to put a deposit onto a condominium. They put their deposit on, they balance how long they can pay rent before they start paying interest on that deposit and all that kind of stuff. Then the actual construction of the condominium is delayed. Of course, that happens increasingly in Alberta these days as, you know, development is approved and money is collected and then the follow through is decreasingly well regulated.

So we have average Albertans putting a lot of money on the line, and then that money sits there while at the same time they don't actually have a roof over their heads. They're still paying rent, they're still paying a mortgage somewhere else, or, heaven forbid, they're still living at home with their parents. That's a problem. Alternatively, there are seniors who are downsizing, and they've given up their homes in other capacities.

When you have that problem, you cannot afford to leave that money on deposit for an extended period of time if you are not provided with the quid pro quo, which is a roof over your head. Now, that's what, of course, Bill 13, the previous iteration of Bill 9, was attempting to address when it outlined a dispute resolution mechanism and the right, I believe, of buyers to get a refund if there is a delay of more than 90 days. That was what was in Bill 13, nice and clear in legislation: let's deal with that; yippee, that's great. Then suddenly further consultation happens, and suddenly that particular right of the consumer disappears from legislation and now will potentially be addressed in regulation. But, of course, as we all know, regulations can change. As we all know, regulations most commonly change when this government is subjected to intense lobbying. As we all know, intense lobbying is more likely going to be done on the part of the big developers than it is on the part of the individual condominium purchaser. That's where we are now, Madam Chair.

We've seen a dilution of condominium purchaser and owner rights between Bill 13, when it was introduced, I believe, last spring, and now, this fall, in the form of Bill 9. Why are we seeing consumer rights being diluted? To me, this is not an example of success for regular working Albertans. This is a success for friends and insiders who happen to have very effective lobbyists.

Now, the government will say: "Oh, don't worry. Trust us. It's in regulation, and you can trust us to do the right thing in regulation." But, you know, if we could trust them to do the right thing in regulation, why are they reluctant to put it in legislation? You know, just watching the process of this bill and watching the pattern of the change would give a reasonable person reasonable grounds upon which to base some suspicions and some concerns about the rights of these consumers in the case that they have made a deposit on a condominium yet the condominium is not completed within a reasonable period of time and they have no place to live. That is the likely conclusion that a reasonable, objective, nonpartisan, noninflammatory person like myself would actually conclude. Indeed, many consumers have reached that conclusion. They are nervous about the fact that something which was helpful to them and protective of them was included in legislation, and now it's moving its slippery little way into regulation.

Our amendment would undo that change. Our amendment would restore that consumer right, that condominium purchaser right, the right of the regular working Albertan who's struggling to save up for their home, which tends to be smaller than big houses and less expensive but still important to them. This would restore their right to have their dispute with their developer properly managed through legislation as a result of them ultimately having a legislative right to get a refund after 90 days of delay. That gives them bargaining power. Let's face it; Joe Average Condominium Purchaser needs a little bit of bargaining power when they're up against a major developer. I mean, that's why we're here right now. We have example after example after example of an uneven level of bargaining power. The original plan in Bill 13 was an attempt to give a little bit of equality to that bargaining power, and now it's gone, so we are worried. Now we're trying to put it back in so that we can be less worried and so that the people purchasing their condominiums can also be less worried.

#### 5:40

I urge members of this Assembly to stand up for the little guy. I know it kind of goes against your happy place. It's a little awkward for you, but I suggest that you give it a shot. [interjection] It's a totally reasonable observation, hon. member.

Nevertheless, my request to you is that you consider re-injecting this provision, which assists condominium purchasers and individual Albertans with their negotiating process in the event that the commercial relationship or the consumer relationship between them and the developer, from whom they are purchasing the condominium, starts to break down. This helps right the balance a little bit. I urge members to consider supporting this amendment on behalf of those condominium owners.

Thank you.

The Deputy Chair: Thank you, hon. member.

Are there any other members who wish to comment on amendment A4? The hon. Member for Calgary-Mountain View.

**Dr. Swann:** Thank you very much, Madam Chair. I'm pleased to rise and speak in support of the amendment. Again, I think the member has spoken fairly eloquently about the balance of power here and the need to in many cases address some of the vulnerability of some. I think about my own daughter and son-in-law, who had to struggle at the end, both in terms of some information that they found out about the condominium and its condition and also their ability to pay as a result of some changes in their finances.

I do have some difficulty in accepting an amendment that would go beyond six months, however, and return completely without penalty the full value of the condominium to the purchaser. But I do see some validity in extending the period of time upon which the purchaser has the full reimbursement of the costs of the condominium. I would, in favour of trying to move forward on this, hope that the government would support this as, I guess, a strong commitment to consumers, to purchasers, many of whom, as has been said, are in a vulnerable position and lack in some cases either the expertise or the legal support, when things start to change, to ensure that their interests are protected and that their large financial commitment is protected to some extent if it's beyond that three-month period even by a few days.

I would certainly like to see this supported and the time period of protection for the consumer extended. Thank you, Madam Chair.

The Deputy Chair: Thank you, hon. member.

The hon. Member for Olds-Didsbury-Three Hills.

**Mr. Rowe:** Thank you, Madam Chair. I would just ask the members on the other side to remember a few days ago, when we first spoke about Bill 9 in the House. A member from Fort McMurray mentioned a major project in Fort McMurray that turned out to be nothing but a disaster. If you recall, I believe that I mentioned that those residents were given one hour to get as much of their personal belongings as they could gather and get out of the building because there was a fear of the building actually collapsing. I was on the Safety Codes Council board of directors at that time, and I got a first-hand look at the report of that building. That building should never have been occupied from day one.

Now, you can imagine – and I don't know if this happened or not. It was a brand new building, less than a year old. Were all of those units sold? Probably not. Did people put deposits down on those apartments or condos? Probably so, and they were waiting to move into them. What happened to those deposits? The developer declared bankruptcy and abandoned the project. This is the kind of bill that will protect condo buyers and their deposits. Think about that for a minute before you vote on this amendment. This is a very important amendment that does exactly what the condo act is supposed to do, and that's protect the condo purchasers and owners. Please think about that before you vote.

Thank you.

The Deputy Chair: Thank you.

The hon. Minister of Jobs, Skills, Training and Labour.

**Mr. McIver:** Thank you, Madam Chair. I'll try to be brief. I have great regard for the comments I just heard, but I have to say that the example given of Fort McMurray isn't so much an example of a project not getting done. Honestly, in that case I'd say that the building inspectors have some culpability there that's undeniable, and whoever is responsible for them has some culpability, more so than the timing of the construction.

I will also say, Madam Chair, in looking at this amendment with "90 days," I once had a home built for myself, and it was more than 90 days late for a bunch of reasons. There may be a period of time where an amendment like this might be appropriate, but respectfully 90 days is too short. If anybody is in the habit of building things or knows somebody that's in the habit of building things, there are so many elements about construction that are beyond the control of those that build, municipal approvals not being the least of them, with financing approvals also being a big part.

Not only that, Madam Chair, but it's really important, I think, that one of the things we need to consider is that we want to encourage more housing to be built. Alberta is a province that in many areas is short of housing. We want to encourage those people that build housing to build housing because it's needed. In fact, the more housing that gets built, the more affordable, generally, on average, it is simply by the law of supply and demand, so you do want to encourage those people that are building housing to build housing.

One of the habits of people that build housing and the way that business sometimes happens, particularly with large condominium projects, is that they get financing based on how many deposits, on how many units they get up front before the construction starts. That's before the construction starts. Then, of course, before the construction starts is a long way before construction finishes, particularly on a large project. Dialling it in within 90 days is not always reasonable. Consequently, if you put this in, I would think there may be cases when it would be harder for those that build homes to put the financing in place knowing that one of the conditions of the financing, the deposits, may actually cause the financing to fall through on the back end, thereby unwittingly – and I will say that I know the hon. member's intentions are good – actually cause the effect of having less housing and, consequently, less affordable housing in Alberta.

To the hon. member. I would suggest that we don't support this. I understand the intentions are good. I just think the math of 90 days, with all the other realities, doesn't work.

The argument could even be made that the financing isn't the individual purchaser's problem. I suppose you could make that argument, but the reality is that financing is an element of housing getting built.

I think this House would do a great disservice by passing this particular amendment and, by extension, inadvertently making it harder for housing to get built in Alberta, which is something that we need very, very badly.

**The Deputy Chair:** Thank you, hon. Minister of Jobs, Skills, Training and Labour.

The hon. Member for Edmonton-Beverly-Clareview.

**Mr. Bilous:** Well, thank you very much, Madam Chair. I'd like to address some of the comments made by the hon. minister. You know, first of all, this amendment is providing protection for the consumer or the purchaser. I find it extremely far reaching to say that if this amendment comes in, we're going to have a stoppage in building of housing and that developers are suddenly going to jump out of the game. What this is doing is ensuring that developers are responsible for the agreement that they sign on the time allotted to build and develop a unit.

#### 5:50

I completely understand that there are delays and that delays happen, but again, you know, when delays are extremely long and prolonged, why is it the sole responsibility of the purchaser to have to find an interim place to live, to go through headaches and hassles with no recourse to the developer, who signed a contract stating that the unit will be available for occupancy on a specific date? What this does, Madam Chair, is that it provides for and puts more responsibility on the developer to adhere to their own timelines. I mean, what we're writing about here is not asking too much, that the developer actually builds the units when they say they're going to build them. There is still a buffer.

You know, I think it's quite absurd that a purchaser has very little recourse. If a developer delays for months and months and they can't get their units, what onus does that put on the people that were planning to move in on a specific date? Maybe they're selling a previous home, maybe they're moving across the country, or they have a job lined up. Now they're suddenly frantically scrambling to find another unit. Let's say that they don't want to rent. Let's say that they decide they want to purchase a different unit. Well, good luck getting your dollars back because, again, the contracts are often written with a bit of a developer bias, in favour of the developer, as opposed to, you know, being completely balanced or in favour of the consumer.

What we're doing here: two things. We're providing stronger consumer protection, which is what our laws and our bills should do, protect the condo owners. I want to remind all members of the House that condominiums account for 20 per cent of the homes sold annually, and 1 in 3 homes in Edmonton and Calgary is a condo. This act needs to be written in the best possible way. It needs to be inclusive of many of the critiques or amendments that the opposition has put forward. You know – and I'll speak to this more a little bit later – I'm still quite floored at the speed with which we're pushing this bill through, considering the number of Albertans it affects.

But I digress. Getting back to this, it gives consumers a tool. I don't think that you're suddenly going to have the floodgates open up, where as soon as a delay of more than 90 days occurs, everyone is backing out of their agreements. But at the moment there is very little recourse for a purchaser. I can appreciate the hon. minister's point that, well, all of the onus or responsibility can't be put in the hands of the developer because there are unforeseeable circumstances that arise and delays in projects. Maybe it's material delays that the developer has no control over. But it's equally unfair to place all of that responsibility onto the purchaser or the consumer or an Albertan who signed an agreement saying that they will get occupancy of a unit on a specific date, where months and months pass, and they have no recourse even if they say: "Forget it. I don't want this unit anymore. I'm going to find another unit." What we're essentially saying to Albertans is: "Well, too bad. I'm sorry, but you just lost your down payment. It's your fault; you have to pay for the delays that were out of your control." Again, the developer didn't live up to their agreement.

What this does, Madam Chair, is that it encourages – I disagree with the minister. It doesn't discourage developers from building more units. You know what it does? It holds them accountable and encourages them to build on time and within a three-month window, and if they don't, then they may lose the sale of one of their units. Well, you know what? That sounds pretty fair to me when we're looking at balancing the protection of consumers and Albertans versus balancing the interests of developers. As it currently stands in the condominium act, this favours developers far more than it favours consumers and Albertans. If we want to ensure that they are protected, then this amendment needs to get passed. It is extremely reasonable.

Thank you, Madam Chair.

The Deputy Chair: Thank you, hon. member.

Are there any other members who wish to speak on amendment A4?

Ms Notley: Yes, on A4. I just wanted to have a chance to add to the comments by my colleague from Edmonton-Beverly-Clareview, which is simply this. There's no question that unforeseen circumstances – a shortage in supply, building on a leaking gas well that nobody noticed was there, for instance, or any one of a number of other unforeseeable circumstances - are a bad thing. But then the question becomes: who bears the brunt of this, and who gets the financing to deal with this bad thing? You're either telling the purchaser, "You know what? You need to go out and get financing now to find an alternative place to live" or "Dial back your groceries a bit, maybe to just two meals a day rather than three." So either your purchaser is doing that, or your developer is finding alternative financing and going back to the bank to say: oops; we've got a problem here. I don't know. When I'm talking to banks, frankly, the ones most likely to get the financing are the developers, not the purchaser who's dialing back their grocery purchases.

I think that, again, what we need to do is make sure that the purchaser's rights are protected. Listening to the minister talk about the kinds of concerns that drive the deliberation of this cabinet makes me very concerned about the kinds of protections that we will ultimately see produced through the cabinet's regulation-making process. I am not convinced that we are going to land on the side of the grocery-buying purchaser. We're going to say: "No. They are the ones that get to shoulder the additional financing costs because, you know, it's too much to ask the developer to."

Now, I appreciate that sometimes it gets really bad and that there is some jeopardy to the project, but then one wonders, too: well, if the project is in jeopardy because it's 180 days delayed, are we really convinced that this developer is building a product which is going to stand the test of time over the course of the next few years, when other issues come up and all that kind of stuff? You know, there needs to be some balancing here, and I'm a little worried that, as usual with this government, the balancing is coming down not on the side of the purchaser or of the regular Albertan.

I certainly support the comments of my colleague from Edmonton-Beverly-Clareview. Thank you.

The Deputy Chair: Thank you, hon. member.

Are there any others who wish to comment on amendment A4?

[Motion on amendment A4 lost]

**The Deputy Chair:** Seeing the time, we will stand recessed until 7:30 this evening.

[The committee adjourned at 6 p.m.]

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