



Province of Alberta

The 29th Legislature
Fourth Session

Alberta Hansard

Wednesday evening, May 30, 2018

Day 35

The Honourable Robert E. Wanner, Speaker

**Legislative Assembly of Alberta
The 29th Legislature**

Fourth Session

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Stier, Pat, Livingstone-Macleod (UCP)
Strankman, Rick, Drumheller-Stettler (UCP)
Sucha, Graham, Calgary-Shaw (NDP)
Swann, Dr. David, Calgary-Mountain View (AL)
Taylor, Wes, Battle River-Wainwright (UCP)
Turner, Dr. A. Robert, Edmonton-Whitemud (NDP)
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Westhead, Cameron, Banff-Cochrane (NDP),
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Legislative Assembly of Alberta

7:30 p.m.

Wednesday, May 30, 2018

[The Deputy Speaker in the chair]

The Deputy Speaker: Good evening. Please be seated.

Government Bills and Orders Third Reading

Bill 7

Supporting Alberta's Local Food Sector Act

The Deputy Speaker: The hon. Minister of Agriculture and Forestry.

Mr. Carlier: Thank you, Madam Speaker. I'd like to move third reading of Bill 7, Supporting Alberta's Local Food Sector Act.

The Deputy Speaker: Any others wishing to speak to the bill? The hon. Member for Drumheller-Stettler.

Mr. Strankman: Thank you, Madam Speaker. It's a fine day in Alberta, and we're getting a bunch of liquid sunshine. It's a great day. For those bike riders out there, it's rain. It's an honour to rise to speak and give some final thoughts on Bill 7, Supporting Alberta's Local Food Sector Act. I've spoken at length about the bill and concerns. We've tried to make amendments. The minister felt that we may have been a little bit over the top or whatever, but we're trying to go forward with it. Some of my concerns have been expressed by the producers that we've reached out to. I don't know if the minister has or those of his caucus that are involved in the rural ridings have, but then I guess rural ridings in the government is kind of a stretch.

As I've said numerous times, this bill is primarily about the local food scene and, more specifically, organic foods. Focusing on the overall purpose of this act would be to encourage the development of a local food sector throughout the province and to regulate agriculture products that are produced or processed in the province and marketed and sold as organic products within the province. We tried, Madam Speaker, to get a more accurate description regarding organic products or all products, and it wasn't met with great reception.

I don't have any issues with the concept of developing organic products. The primary focus would be to standardize the use of organic labelling and certification. In this case I believe it makes sense regarding those products grown and produced in the province. I'm hoping that the concurrence with CFIA standards in labelling and certification is important. Food safety is of the utmost importance, and we saw that go forward in the province when the tuberculosis outbreak happened in the southern portion of my constituency and that of the constituency of the Member for Cypress-Medicine Hat.

Madam Speaker, it's all well and good. There is no one recognized threshold for products produced locally for sale within Alberta. This act will now make a uniform minimum standard even though the verbiage and potentially the regulations leading from that verbiage may or may not be awkward at some point in time. As we've discussed numerous times, previous to this act products sold within Alberta had no established common criteria for organic labelling or the standards thereof. However, if you exported those same products outside Alberta, you had to comply with CFIA standards for labelling and certification. Going forward, these CFIA standards will have to be met within Alberta in order to use the term

"certified organic" on these products. Everyone will understand the rules, and the playing field will be level for everyone who wishes to participate with the organic labelling standard.

One thing we never talked about, Madam Speaker – I see the Government House Leader listening intently, and I'm pleased at that because he knows that there are some who transgress outside the regulations and receive their penalties and fines for that in federal legislation. There's been no regulatory talk about anything for anybody who produces anything outside these regulations, but possibly we could have organic producer police formed as a new regulatory body. It would be a good job-creation project, and I know the economic development minister would be appreciative of that.

An Hon. Member: Do some hard time.

Mr. Strankman: Yes. It has happened, Madam Speaker, that some of us have done some form of hard time, and many members of the government have that to look forward to in their future when they are in opposition.

But then abiding by these regulations developed by the CFIA would be a necessary expense. The minister hasn't talked about any expense or the creation of these regulations and who will pay for that, but it may just become another known line item as we approach three numbers of deficit going forward. Once there would be a fee, collected or certified, approved associated with using the certified organic label, the question is: how would this be adjudicated and returned to general revenues? Because it would appear that the government does need a lot of funding for the general revenue to spend in their own fashion. The question, Madam Speaker, is: how long would this process take, and is there an overbearing bureaucratic process involved? We haven't really seen how that could take place.

Madam Speaker, in other circumstances, in other jurisdictions outside this place I've talked and others have talked about the unintended consequences of legislation going forward. These are important questions that producers and the producers that we've spoken to may want answers to. It's part of the due diligence that they will have to embark on as part of their business model.

Madam Speaker, I have many friends in the diverse constituency of Drumheller-Stettler who are bee producers, and the organic products that they produce don't necessarily fall within this criteria because the legislation talks primarily about animals and food products only from plants and/or animals, but it doesn't actually specifically talk about insects, so insects are certainly of a consequence. These are important questions that producers need answers to. [interjection] I appreciate the input from the hon. minister. He'll get his opportunity. He's had his opportunity, and he'll get his opportunity in the future to speak more towards lucky number seven here, Bill 7, as we go forward.

Like I said, we have no issue with the volunteer program. Producers have a choice one way or the other, but there's been no conversation regarding penalties or potential infractions as people come forward and find out whether they are or are not included in the organic producer realm. These issues were made up under the brunt of my amendments last night, amendments that were brought forth in good faith, Madam Speaker, amendments that sought clarity, openness, and transparency. Unfortunately, once again, a government bereft of any practical farming experience has decided that these amendments were unnecessary, not only unnecessary but burdensome in some way.

At some point, you know, the minister talks about more red tape, but it's only red tape when we talk about it; it's not red tape when the government talks about it. We discussed it at some length, the

amendments that ensure that the minister shall consult with producers and processors for a period of not less than 60 days and consider any comments or feedback prior to making a regulation.

Everyone that has had experience in this agriculture sector understood the need for this amendment, and several of my colleagues, including the bee producers that we reached out to and also the egg producers from Nobleford, talked at length about how important it was to consult with the very producers that could be impacted by this act prior – capital p-r-i-o-r – to enacting regulations that could do them harm. It seems like a proactive and forward-thinking concept, but sometimes the minister believes and has stated that this consultation would be a burden.

I do remember vividly the conversations in this Chamber in regard to Bill 6 as it was coming down to this stage, the third reading stage, of passing the legislation, when there were some 1,800 producers or approaching 2,000 on the steps of this Legislature and causing great consternation to the security of this facility.

This government complaining about red tape, Madam Speaker, defies logic. It's something out of the twilight zone. Thinking that proper consultation is somehow a burdensome and obscene reality is, quite frankly – and I'm inclined to give the minister the benefit of the doubt – not necessarily a problem. Perhaps he simply misspoke and was making a point in a poor fashion, and I've been guilty of that. I'll openly admit to that with good faith to the minister that he would receive my input without umbrage and possibly allow the regulations that come forward or his bureaucrats that allow the regulation to come forward would be benevolent to those producers that it affects.

7:40

As a group this government hasn't exactly endeared themselves to rural folk. In fact, we heard a great deal of conversation about the discussion about attendance at the Beef Industry Conference and how actual processing of cattle does and does not take place and the understanding of what some of that processing actually is and how it really affects the development and processing of cattle for their place to be put into the food market. My friend from the outstanding constituency of Olds-Didsbury-Three Hills pointed out last night when he referred to several cattle producers in the gallery watching last night's debate in a similar fashion, Madam Speaker: consultation is never a burden, nor is it red tape.

The Member for Olds-Didsbury-Three Hills stated in confidence that if he were to go up to the gallery and poll those producers, 10 out of 10 times he would be told that, yes, they would like to be consulted before regulations. Madam Speaker, I too, along with the minister and several others from the government caucus, attended the beef and beer presentation last night, and they did have a chance to have open conversation directly with producers. That could have been considered. I know there are other members of government that consider a coffee session or a hallway conversation as a consultation, but it's a beginning at least.

Common sense needs to be a part of this place, and it's not always the thing that happens here, but we are all here with a gentlemen's agreement about a form of democracy. The government has the numbers to defeat these amendments, and however they do that is certainly their will or wish. Sometimes we feel that it's done with alarming frequency, alarming because I can't help but wonder if they truly understood what they were voting against. Three common-sense amendments in my case were deemed unnecessary and burdensome and adding a level of red tape. The minister talked about a committee to form a committee. Well, that's his interpretation, but possibly if the producers would have been demonstrated a form or any form of good faith in the presentation

of previous legislation, we wouldn't be necessarily so sensitive about how this could go forward.

Madam Speaker, I stand before you as a farmer first and a politician second. I looked at this act from the viewpoint first of a farmer. I spoke today in my member's statement about farmers, and that is where my heart is. That's where my role is, the defence of farmers from government, onerous, overbearing, overreaching government dating back before I came to this place, from legislation, outdated legislation that was created for World War II in 1943.

Through certain alignment I'll call it of the political constellations that policy has been changed, and many of the government members that were here last night that were at the beef and barley presentation heard about the fantastic exponential development and growth of the barley and the malt processing industry in this province. It's almost in the double or triple digits of expansion, and the economic development minister would take well to those kinds of self-supported initiatives, not necessarily doing it with a government handout but more or less of a place of the government getting out of the way of the regulation and being given a hand up, which is the Alberta model and the Alberta way.

I've seen that, Madam Speaker, from my vast experience of living within six miles of the social experiment politically created in 1944 in Saskatchewan, the social NDP experiment known as Saskatchewan. At that time the population of Saskatchewan was greater than it was in Alberta. Within two years of that we had oil discovery in Alberta because those oil explorators from the Regina area were driven out by the fear of nationalization of their industry.

Madam Speaker, we developed amendments that we believed added to transparency, openness, and accountability and would have also reduced the optics of the minister, through this act, having way too much authority over agricultural products of a nonorganic nature. This was a major concern of some of the producer stakeholders that we reached out to and still was when we spoke to them this morning. It seems like a rational and measured fix to a possible problem. But once again we find ourselves in a situation where the minister has said: don't worry; it's fine; be happy; the council will ensure government overreach does not happen.

My colleague quoted a famous line from the late President Ronald Reagan last night, and it bears repeating: "trust, but verify." Another comment that he made, I believe, Madam Speaker, if I could get it right, again by former President Ronald Reagan, was where he talked about: "If it moves, tax it. If it keeps moving, regulate it. And if it stops moving, subsidize it." In many ways that's the Canadian way, and it's frustrating in many regards.

We have seen the idea of regulating it and subsidizing it in the province because we have seen vast growth of bureaucratic employment in the province. It certainly has been wonderful for those government employees who simply think that the creation of their government job is the development and the beginnings of economic wealth creation. But, Madam Speaker, they need to realize that their taxpayer dollar subsidized wage that they get comes from people who don't necessarily always work in government.

The percentage of the people that create wealth in government is probably in the single digits, and those people who are not receiving government subsidy is well in the double digits, approaching 90 per cent. You may know that the Canadian Federation of Independent Business has a motto that says that small business nation-wide is big business. That's who these agriculture producers are that we talk about, faced with overbearing electrical costs, overbearing taxes on the natural things that they do to produce food.

You know, Madam Speaker, I was able to receive a pleasant note from one of the legislative staffers here today after my member's

statement when I made the quote that if you eat, you're involved in agriculture. One of the staffers sent me a kind note saying that he had eaten that day, and he said: thank you very much, Mr. Strankman, for making that comment.

I'll leave it at that, Madam Speaker. I've covered a lot of ground here. It would have been much better if the government would have allowed us to have some positive input – we've given what input we can – but it would appear that that ship has sailed. So I'll leave it at that.

Thank you.

The Deputy Speaker: Any other speakers to the bill? Calgary-Shaw.

Mr. Sucha: Thank you, Madam Speaker. Before I begin, I want to cite one comment from my colleague from Drumheller-Stettler about the knowledge of our members in rural communities. As I look over at the government benches – those who are watching at home know that I get to sit in this little corner of government members on the opposition side – I see members who know many things about rural communities, who represent rural communities, from the Minister of Energy to the Member for West Yellowhead to the agriculture minister.

But the fact of the matter is that many of us have become citizens of Alberta because our families moved here to become farmers, and that was the case for myself. My grandfather settled in this area from Slovakia to be a farmer in the Innisfail area. My cousin still carries on that tradition today. While I recognize that sometimes it's hard to lose sight of the fact that I'm a member from a big city, the fact of the matter is that I know a lot about farming. I know a lot about that. I have constituents of mine who work on farms who live in the city. So the fact is that we really reflect the knowledge that the reach of farming isn't just a rural Alberta thing, living in a county. Many people who live in cities and towns also work on farms, are impacted by agriculture.

The fact, too, is that we also recognize that local food ties in to local and large communities. When you look at farmers' markets, a lot of these are opening up in the urban settings. Cities like Calgary, cities like Edmonton have large farmers' markets, and that's where a lot of the organic and the bio-organic movements are occurring. We want to help encourage and set policies in place that will allow for these industries to thrive and grow.

7:50

As I alluded to when we were in Committee of the Whole yesterday, the Standing Committee on Alberta's Economic Future struck a committee that reviewed the agrifood and agribusiness sectors. This was supported by all members of the committee from, at the time, all three political parties. All of the motions that were brought forth there were unanimously passed.

Of those motions, one of them was that the government expand on exploring local food initiatives. I will say that again, that the, key word, government expand on exploring local food initiatives. The government, therefore the ministry of agriculture, should be expanding to find ways to support local food initiatives. That's what appointing this council does. That's what this bill does. That initiative, that policy that was struck in the report by the Standing Committee on Alberta's Economic Future received support from members who currently sit in the UCP caucus.

I must encourage and support the minister on the fact that he is following the mandate of that committee that wants to look at other ways to expand on this. He is seeking advice from the local food council that's going to look at ways that we can really explore

within there. I hear laughing coming from the opposition bench side, but I'll dismiss that. You know, it's a late night.

I don't know if we're still feeling the hangovers from the beef and barley meeting that we had, but that's a sector that we can look to on what this current government has done to help expand. At the end of the day, we saw an industry, which was the craft brewing industry, hurting. It had a hard time actually expanding and growing within this province. I remember specifically – and this would actually impact a UCP member – that the town of Vulcan wanted to establish their own beer. It was the Vulcan beer. They couldn't source a local distillery to make that beer. They had to outsource it to the United States because there was no craft brewing industry that could actually produce it in the right volume without having to deal with the red tape and the challenge that happened.

But now here in Alberta we have over 60 distilleries and 60 craft breweries because of the actions of this government. They've been doing things to support the local craft brewing industry. The fact is that these craft brewers are buying local. They're buying from barley producers. They're buying from hops producers here in Alberta. They're supporting the agrifood and agribusiness sector here in Alberta, and they're starting to now look at expanding past Alberta's borders into other markets. That's because of a lot of initiatives that we have done to support local food initiatives.

Now, I heard from the Member for Vermilion-Lloydminster who said that these things are naturally emerging on their own. Well, that's right. Craft brewing has been emerging for the past 10 years. When I was a restaurant manager by trade, I saw that occurring. But the downside was: do you know where we were buying our craft beer from? We were buying it from Idaho. We were buying it from Montana. We were buying it from B.C. We didn't have the policies in place here in Alberta to help support that industry in emerging. So at the end of the day, we had other jurisdictions that were capitalizing on our inability to support these local sectors.

I praise the minister for finding a way to start one of many processes in which we can help support the local industry. We can help them grow, and we can establish councils that will help advise the ministries on what policies they need to bring forward to help these sectors and help this industry emerge. They can work with multiple players, from small producers to people within the distribution industries and even to people within the restaurant industries, to really find ways to best promote this.

If we don't follow through on these processes, we're going to allow other jurisdictions to come in and hedge their bets on this. When we don't have policies like organic standards in place here in Alberta, when we don't help these sectors emerge, it allows other markets to move into Alberta and to grow and flourish here. While I support, you know, the Canadian economy and Canadian industries, I do want to see success coming from Alberta, and I think the best way for us to help it succeed is by starting it from the grassroots and allowing it to expand the way it is, similar to what we're seeing in the craft brewing industry.

So I encourage all members to support this bill in third reading, and I want to thank the minister for bringing this bill forward.

The Deputy Speaker: Questions or comments under Standing Order 29(2)(a)? The hon. Member for Rimbey-Rocky Mountain House-Sundre.

Mr. Nixon: Well, thank you, Madam Speaker, and thank you to the Member for Calgary-Shaw for his presentation. It was interesting. I'm sure the hon. Member for Drumheller-Stettler, whom the Member for Calgary-Shaw was referring to in his speech, was very interested in being educated on the agriculture industry. He's only

been a farmer for 65 years, but I'm sure that Calgary-Shaw has got lots to teach him, and he's listening with an open mind.

What I did notice, though, is that it's interesting, Madam Speaker, through you to the Member for Calgary-Shaw, that he glossed over everything that the hon. Member for Drumheller-Stettler pointed out with this piece of legislation, completely ignoring his 65 years of experience in the agriculture industry, a member who's a hero in the agriculture industry, not a wheat smuggler. Let's be clear on that. He is a famous wheat smuggler, though, without a doubt, who stood up to a ridiculous regulation that was impacting him and his colleagues. He's a hero, without a doubt, in that industry, and to completely ignore what he has to say seems disappointing.

The question that I have, though, for the member is how he feels about the fact that he belongs to a government and is supporting a bill that has been brought forward by a minister of agriculture who stood in this House yesterday in front of people from the industry and said that consulting with farmers or ranchers was too much red tape for him and his government. Is it your opinion that it is not appropriate for the government to spend some time consulting with farmers and ranchers when they make decisions on their industry, or is it your opinion that they should?

We know that your minister thinks it's red tape to talk to farmers and ranchers, something that I know that the farmers and ranchers in our caucus were disappointed to hear, that the farmers and ranchers in the gallery were certainly disappointed to hear. They were not surprised, though, Madam Speaker, given the track record of this minister and this government when it comes to the agriculture industry and their disdain for my neighbours and my friends that they've shown over and over in this place.

Particularly what I would like you to focus on is the fact – you refer to a council that would advise the minister. But when the hon. Member for Drumheller-Stettler brought forward a very reasonable amendment that would make sure that those people were selected from across the wide variety of industry that makes up our agriculture industry in our province, were selected by industry stakeholders that could put forward names that would be able to help the minister do the job, that was too much red tape for this minister. I suggest that that would be certainly disappointing.

Now, you talk about local food. Local food is good. I like to go to the farmers' market every week in Bergen, just outside my farm, and I enjoy it. Those who produce the food there are part of the agriculture industry, so are the farmers and ranchers that are in all of our communities, and the idea that your government seems to think that they can continue to make legislation and regulations and refuse to talk to the people that are in that industry is extremely disappointing to rural Alberta. I can tell you that. It's very disappointing to the agriculture industry.

It's another reason why this government – an NDP government who, let's be honest, in this province and certainly other provinces have their roots in rural Alberta – after the actions of this government in this term, the first NDP government in Alberta's history, in a very short period of time managed to wipe themselves completely from existence in rural Alberta because they've shown complete disdain for agriculture.

I know that members – they'll find out soon enough. I go to rural Alberta every day. I live there. I can tell you that people are still furious about how they have been treated by this government. You saw it again last night from your minister, that it's too much red tape to talk to farmers and ranchers.

Member, is it too much red tape to talk to farmers and ranchers, or do you disagree with your minister?

Mr. Sucha: Well, the amendment that we saw from there was the fact that you wanted to establish a council to establish a council. The council's process is to consult with farmers and ranchers, similar to what the Standing Committee on Alberta's Economic Future did. So when I see the opposition to this bill and the challenges that we're seeing to this local food council – it was the committee that we struck, that consulted with farmers and ranchers, that advised us to establish this, and this was supported by all members of that side of the House.

Now, with my limited time I will say, you know – and this alludes to some of the comments that I heard from the Member for Drumheller-Stettler. One of the biggest things that I heard was feedback in relation to Bill 6. Well, one of the first visits I had in the new year was with a constituent of mine who was injured at a farm. He was injured in a vehicular accident. He was a farm worker who said: "If you hadn't passed that bill, I would not have received compensation. I would not be receiving a paycheque. I would not be able to pay my mortgage." I will, number one, say that it was because of that that he could support his family and support his loved ones.

8:00

The Deputy Speaker: Any other members wishing to speak? Grande Prairie-Smoky.

Mr. Loewen: Thank you very much, Madam Speaker. I'd like to take some time tonight here and talk about Bill 7. It was just interesting hearing the Member for Calgary-Shaw talk about his rural constituency. One thing I should remind him of is that even the people in urban Alberta didn't like Bill 6, and the farmers, of course, liked it even less. So I guess that when we hear the Member for Calgary-Shaw talk about, you know, some of their members, the NDP MLAs representing farmers, I would like to see how many of them represented farmers when we were dealing with Bill 6. I think we know the answer to that. It was actually zero.

But getting back to Bill 7 here, one of the biggest problems with Bill 7 is the vague wording. I mean, there are just so many things that are open to interpretation, open to the minister's discretion, that I think it's alarming. We see this over and over with this government, where they want a blank cheque, where they want to pass a skeletal bill and then fill in the details afterwards. Of course, that's just not what we're here to do. We're here to discuss legislation and discuss what's in this legislation, and when big details are left out, I don't think it's something that we can – you know, we don't have much to discuss, then, if we don't have the details of what's happening.

One thing that this act does is that it gives power over all agricultural products produced or processed in Alberta. Of course, Madam Speaker, I don't know if that's what the intent of this bill was, but that's what it does do. That's obviously alarming, and it gives tremendous powers to the minister. Again, we talk about how these bills that this government brings forward leave all the details out and leave it all up to the minister to decide afterwards, and of course that makes it hard to decide whether our constituents want us to support something like this or not.

Another issue is the certification process. We don't know how long it could take. It could take years, and of course if we have farmers or people growing on their land that want to be involved in the certification process, we don't know how long it takes. We don't know how much it's going to cost. Things like that add more uncertainty to a bill like this.

Now, it says here, "The Minister shall ensure that the members appointed to the Council are representative of Alberta's local food sector, including small producers and processors." Well, Madam

Speaker, we did have a chance here to pass amendments that would really identify who would be selected to be on this council, but obviously the government didn't want to have any specifics to that. They wanted to leave it vague, leave it up to the minister to pick and choose whomever they wanted. Of course, I think that's somewhat disrespectful to the agricultural producers themselves, who have organizations, who already have groups together. They could pick people that they wanted to have represent them on a council like this.

The costs associated with the marketing council are unknown. We don't know if it will be self-funded, if it is something that's government funded, or how that's done. We don't know with this bill.

Now, it is important to have the organic label mean something to Albertans, more than just a marketing ploy, so there are some benefits here. But, obviously, again, how this government gets to some of these decisions on what they do: there is maybe not always the best process involved.

Now, this legislation will use federal guidelines under the CFIA. Of course, you know, that's a standard set-up. You know, those are some Canadian standards that they want to go by. Whether these standards are something that the producers in Alberta want to have to go by or not is something that needs to be discussed.

I look at some of these other issues here, you know: the uncertainty of who's going to be on the council, concerns that maybe the council will be dominated by one sector and not be representative of all the different sectors that could be represented, and, of course, again, the costs associated with the marketing council.

Again, a lot of the producers we've talked to worry about the vagueness of the language in this bill. One of the things they wonder about is this definition: "a product, including any food or drink, wholly or partly derived from an animal or a plant." What does that actually mean? There's obviously a lot of vagueness here.

Again, I think a previous member brought up bees and honey. Is that included in "any food or drink, wholly or partly derived from an animal or a plant"? We don't know exactly what's included in some of this.

Now, I think it's proven that Albertans already support local food. In a 2016 survey 92 per cent of households bought locally at farmers' markets. Obviously, I go to farmers' markets myself, and I buy produce there, as do, obviously, lots of Albertans. We have a situation here where these producers are already being supported by the local people, and that's great. Would we like to see more? Of course we would like to see more. But we're not sure if this bill is getting there or not or if it's actually going to exclude different people from being able to market their produce, you know, in the way that they would like to.

Now, when I look at the bill itself, it says here:

12 The Minister may, on terms and conditions specified by the Minister, designate any person or class of persons to act as an inspector for the purposes of this Act.

Madam Speaker, we have a situation here where the minister, on terms and conditions specified by the minister, basically can do whatever he or she wants as far as designating any person or class of persons to act as an inspector. Without any kind of guidelines or whatever, the minister is going to decide who gets to be an inspector for the purposes of this act. I guess I don't know what that really means. I don't know who that would include or not include.

Just to give you an idea of what it entails for a person, obviously, if a complaint comes in:

Complaint

10 A person may, in accordance with the regulations, make a complaint to the Minister regarding the advertising, labelling or

offering for sale of an agricultural product that the person suspects is not certified in accordance with section 8.

The minister, of course, has designated somebody to act as an inspector. Then this is where it comes in, okay?

11(1) On receipt of a complaint under section 10, an inspector must verify that the producer or processor of the agricultural product that is the subject of the complaint holds the appropriate certification in accordance with section 8.

It goes on:

(2) If the producer or processor of the agricultural product holds the appropriate certification, the inspector must notify the complainant of the producer's or processor's certification status and conclude the inspection.

Well, that makes sense. It's pretty simple.

(3) If the producer or processor of the agricultural product does not hold the appropriate certification, the inspector must conduct an investigation.

Now, going on to 13(1), it talks about inspections and investigations.

13(1) On receipt of a complaint under section 10, an inspector may conduct an inspection or investigation to determine whether a person is complying with this Act, the regulations or an enforcement instrument.

(2) In conducting an inspection or investigation, an inspector may do one or more of the following:

- (a) subject to subsection (4), enter, at any reasonable time, any place, including any means of conveyance or transport, where an inspector has reason to believe that
 - (i) agricultural products are sold,
 - (ii) advertising materials, packaging or labels for an agricultural product are created or kept,
 - (iii) a certification record is kept, or
 - (iv) a record related to the sale of an agricultural product is kept.

So this person whom the minister designates – we don't know what person or class of persons this will be – has the power at any reasonable time or any place to go to where the agricultural products are sold, where the materials or packaging or labels may be, where the records are kept, or where a record related to the sale of the agricultural product is kept. Obviously, this opens up a whole issue, of course, around the powers of this inspector, who – we don't know, again, what person or class of persons the minister may designate – has this enormous amount of responsibility to be able to go into probably a person's place of residence, I would suggest, because a lot of these small producers would be doing this out of their home, and would be able to search through a person's place of residence or work or wherever they happen to be doing this and search through all these things.

Furthermore, they can:

- (b) examine a certification record, a record related to the sale of an agricultural product, any other relevant record or advertising material, packaging or label of an agricultural product.

Again, just more things that this inspector may or may not do.

It goes on:

- (c) by written notice, require a person to provide, at a time, date and place specified in the notice, a certification record, a record related to the sale of an agricultural product, any other relevant record or advertising material, packaging or label of an agricultural product.

8:10

So after they've been in and searched and done all that work, then they can still require by written notice that this information be provided. I'm not sure why they would be able to do both: go into a person's residence or whatever, dig out all this material, or just

ask for it by written notice. I mean, I would suggest that asking someone to provide it by written notice would be far less intrusive.

Going on:

- (d) subject to subsection (3), remove for review and copying a certification record, a record related to the sale of an agricultural product, any other relevant record or advertising material, packaging or label of an agricultural product.

Obviously, at this point they can start confiscating possessions of people that are suspected of something here.

This isn't just a simple bill to, you know, support Alberta's local food sector, as it suggests in its name. This is a far-reaching bill. It isn't just as simple as encouraging people to shop local and buy local produce.

Now, it goes on.

- (e) use data storage, information processing or retrieval devices or systems that are used by a processor, producer or vendor in order to examine a certification record or other record in readable form;
- (f) question any person on matters the inspector believes may be relevant.

Obviously, they'd be able to, you know, do an investigation where they're interviewing other people.

- (g) require a person to provide oral or written statements, whether under oath or otherwise, at a specified time, date and place.

Obviously, the inspector would be gaining information to be used, I guess, to prosecute somebody, with written statements under oath.

Again, I'm a little uncertain why there couldn't have been some sort of designation of who would be an inspector rather than just "any person or class of persons."

Let's go on here.

- (3) An inspector who removes a record or advertising material, packaging or label under subsection (2)(d) must provide a receipt and return the record or advertising material, packaging or label to the person who provided it within a reasonable time.

They, of course, have to provide a receipt when they confiscate something, I guess, from an individual.

It says here:

- (4) An inspector may enter a private dwelling under subsection (2)(a) only with the consent of the occupant of the private dwelling or pursuant to an order under subsection (5).

Of course, then under (5) it says:

- (5) If the consent required under subsection (4) is refused or cannot reasonably be obtained, the inspector may apply to a justice as defined in the Provincial Offences Procedure Act for an order directing the occupant to permit the inspector to enter the private dwelling to exercise the inspector's powers and perform the inspector's duties and functions.

Obviously, Madam Speaker, this person is not just any person that is going to be doing this. I would hope that the minister already has some idea who might be qualified or who might not be qualified to do this kind of work, where they're, you know, entering private dwellings or, if they can't, then of course applying to a justice for an order to be able to enter the private dwelling.

Obviously, I think there are some pretty big issues here as far as who would be doing investigations, how these investigations would be handled, and why couldn't we have had that in this bill rather than leave it up to the minister's discretion afterwards?

Of course, I just want to go into offences here. Now, these are obviously some serious things. It says:

- 18(1) A person who contravenes section 9, 14, or 15(3) of the regulations is guilty of an offence and is liable
 - (a) in the case of an individual, to a fine of not more than \$5000, and

- (b) in the case of a corporation, to a fine of not more than \$20 000.

- (2) Where a corporation is guilty of an offence under this Act, an officer, director or agent of the corporation who directed, authorized, assented to, acquiesced in or participated in the commission of the offence is a party to and guilty of the offence and is liable to the fines provided for the offence, whether or not the corporation has been prosecuted for or convicted of the offence.

Madam Speaker, you know, these aren't light fines. These aren't slaps on the wrist. These could become very serious. We see that this isn't just: "Let's help the local farmers. Let's help local produce do well and get people to buy local." This is pretty serious stuff here.

I guess maybe the government's plan here was to try to make up for the failure of Bill 6 and how they drove so many farmers and so many rural people away from themselves and really did let people know that they didn't do the consultation that . . .

The Deputy Speaker: Any questions or comments under Standing Order 29(2)(a)?

Seeing none, the hon. Member for Calgary-Elbow. Is this under 29(2)(a), or are you speaking to the bill?

Mr. Clark: No, it's not.

The Deputy Speaker: Speaking to the bill. Go ahead.

Mr. Clark: Thank you, Madam Speaker. It's a pleasure to rise to speak to Bill 7. You know, we've had some conversations about this bill within our caucus, and I've certainly given a lot of reflection on this bill. The first question I ask is: well, who doesn't like local food? Of course we do. Alberta farmers are remarkable; they're innovative. The local food movement is taking off, not only here in Alberta but, of course, around the world. It's one of the great gems of our province that we have such remarkable producers in this province.

We've looked at the costs that are associated with the bill. There don't seem to be massive costs here. But at the same time, whenever I look at legislation, I ask myself: well, what problem are we seeking to solve here? How do we quantify the challenges? And if there are certain problems to overcome or certain opportunities to take advantage of, is legislation, in fact, the best way to do that, or is government overreaching for one reason or another?

You know, one of the aspects of this bill that I suppose would be favourable would be the organic certification piece. It's certainly potentially valuable. But my understanding is that I don't believe we necessarily need legislation to close that gap. There are other ways of addressing that particular concern.

So it is with hesitation that I will be voting against this bill because, of course, I think that local food is an important part of the vibrancy of the province, but when I look at the problems that this bill seeks to solve, I actually don't see that there's an enormous challenge to overcome. There is some risk here that this bill overreaches and that local producers may feel put upon.

You know, I look at Grow Calgary and the work that they're doing. They do remarkable work, and they've been doing that for many years without this bill in place. I feel that there are many producers that are already doing great work. Certainly, I don't feel that that work will be constrained if this bill does not pass. I also don't see, necessarily, a direct line of sight between how that work will be enhanced should this bill pass.

It's my view that unless there's a compelling reason, a substantially massive positive to moving forward with a bill or a huge problem to overcome, legislation is a pretty blunt instrument.

It's a pretty big thing to do. So while I am a big supporter of local food, I feel that at the end of the day, this bill solves a problem that Alberta doesn't have. As a result, I will be voting against Bill 7.

Thank you, Madam Speaker.

The Deputy Speaker: Questions or comments under Standing Order 29(2)(a)?

Seeing none, any other members wishing to speak to the bill? The hon. Member for Barrhead-Morinville-Westlock.

Mr. van Dijken: Thank you, Madam Speaker, for the opportunity to speak to third reading of Bill 7, Supporting Alberta's Local Food Sector Act. I must confess that over the last few weeks I've been doing a lot of thinking about what's being proposed here with Bill 7. There are parts of it that I can agree with, but there is an underlying theme here that prevents me from being able to support Bill 7. I believe that there were a few very reasonable amendments that were proposed to try and help improve Bill 7. They were rejected by the majority here, and because of that, I believe that I am in a position where I cannot support Bill 7 in its current wording.

8:20

One thing, I think, that needs to be recognized here is that the more and more that I go through the bill, the underlying theme that comes out to me, especially with regard to the local food council and the impacts that may have on the development of that industry and the advancement of that industry and the possible encumbrances that could come on that industry, brings great concern to me. It seems like the government, the minister are essentially saying to us and to other producers to just trust them: just trust us; we will do what's right for the industry. I've got to admit, Madam Speaker, that I'm not comfortable in doing that.

I believe that there may be good intentions involved with developing the local food industry, but I also understand that good intentions don't always come without unforeseen circumstances. The point in time where it really became obvious to me that I could not support how we were moving forward with Bill 7 was last night, when an amendment came forward to do 60 days of consultation before putting regulations in place, the fact that that was not acceptable to the minister, to the government to consider. That's a very reasonable thing to do, to approach the industry, whatever industry that is, whether that's cereal grains, canola, beef, the hog industry, the chicken, the dairy, the vegetable growers, all of these different types of industries.

For the minister to have the kind of power that is being given the minister through Bill 7 I believe is somewhat dangerous ground. I can't come to a position of just saying: I trust you. I think if there was a chance that that amendment would have passed, I think there was a good chance that I could have supported Bill 7. But the fact that the minister and the government are saying: "We know what we're doing. We don't need to consult. We don't need to go through that stage of actually asking the industry if this is going to work, if this is not going to work, getting the input," there are many times where – and we talked about it last night, about how the hog industry developed their quality assurance program at the industry level.

The government facilitated some of that, assisted in developing that. There were many times through that development that industry association representatives learned from producers why this will work or why that will not work, and we had to adjust as we went. That was a very healthy maturation of a quality assurance program. That could have been something that would have helped here, to have a 60-day consultation where one person in the industry can come up with the understanding that, you know, if we do this, then

this is likely to happen. Has anybody thought of that? Then we can stop a potential disaster from happening.

I have no problem supporting the local food week. I think that's a great part of Bill 7, but I do have significant concern with how, you know, the act talks about local food. Well, what is local food? It defines local food as essentially "agricultural products produced in Alberta" and, according to the regulations that come forward, "agricultural products processed in Alberta." So this is an act that will take into consideration all agricultural products. Some people think that, well, this is just going to be the local food sector, which will be small producers and small processors. No. It definitely has the potential to be a very large impact on the food production industry. For the minister to say, "Well, just trust us; we'll do what's right," concerns me.

We talked about: "The Minister shall ensure that the members appointed to the Council are representative of Alberta's local food sector." Because we've identified that the local food sector would be all agricultural products, I'm not sure why the line in there "including small producers and processors" was necessary. Local food. We have beef that we have on our dinner table. We have chicken, eggs, dairy, pork, all of these products. The majority of these products that we're consuming within Alberta are locally produced. They're local food. So if there was some kind of a definition that would be different than all of those products. Are we giving the minister the ability to actually step into a lot of what is already happening?

And government getting their fingers into forcing industry to move down a branding exercise – because largely I look at this as a branding exercise. Even some of the quality assurance programs that were being done by industry, whether that's the vegetables, whether that's the pork, whether that's the beef, all of these types of quality, food safety assurance programs: a lot of it is about ensuring that the consumer can feel confident that the food they're going to consume is safe. Also, there are many of these products that are developed as specialty products, where the food is of high quality or higher quality possibly or of a differing quality, different aspects.

You know, I was optimistic that we would be able to come to a point where I can vote in favour of Bill 7. I want to try and promote and have the ability that the industry is able to move forward in a healthy manner, in a manner that I feel it will succeed, that it'll succeed in a way that does not have a lot of regulations put in the way of being able to succeed.

Last night at our beef and beer event I had a conversation with one gentleman. That gentleman and his partner run a feedlot in my constituency. They had discussions last week with regard to: would they start a feedlot now? Would they be able to, for one thing, or would they want to based on all the things that have changed over the last 30 years that they've run a feedlot? It's one thing to run a feedlot now or to run a confined feeding operation or to run a large farming operation, but those operations don't just spring up out of nowhere. These gentlemen: I'm not sure how many cattle they're running, but say that they have a 25,000-head feedlot. That didn't just happen overnight. That likely started as maybe a 200-, a 500-head feedlot. And they grow and they mature and they advance over time, and they get the ability to do all the paperwork that's necessary. He said that they have two secretaries and that probably a third of their time is just dealing with the paperwork for government programs and assurance programs that's necessary to ensure that they're following all the guidelines.

So we don't want to get to a point where regulations actually get in the way of individuals moving on an opportunity that they see, but the regulations are too large that they can't see their way past that. I believe that we need to have a certain number of regulations

in place to ensure that the food that is being offered to consumers can be guaranteed safe, that the quality is of a standard. We have a lot of that in place now.

8:30

Bill 7 allows just too much – there’s too much leeway, in my opinion, that the minister can move one direction or the other. I just can’t come to the point where I can say: yes; I’ll trust you with that. I believe that the minister has very good intentions, but if the minister is not prepared to take a regulation that he’s been advised by the food council to move forward with, a regulation that the food council thinks will actually help the industry, and to consult then with producers in general – for one thing, we don’t even know who’s going to end up on this local food council. Like, we have to trust that also. Is that going to be an open nomination? Is that going to be where people can apply and where they can look at many different individuals from across many different sectors? I believe that’s important, but will that happen? I don’t know. Bill 7 doesn’t tell me.

Another thing that does concern me is when we move into part 2 on organic agricultural products. This is all fine and dandy. But I look at all of the industries, whether they’re the chicken, the dairy, the wheat, the canola, the beef, or the pork, the quality assurance programs, the inspection programs, and all of these other areas. A lot of that is industry led and industry administered and funded by industry. We don’t know from Bill 7 if that will happen here.

We do see that we have inspectors being designated, inspections being authorized, investigations being authorized, all in the name of brand protection. Organic food is a brand. It’s all in the name of brand protection. But at the end of the day the recovery of all these fees and charges and so on: is that going to be on the taxpayer to foot that bill, or is that going to be on the industry? Now we have a brand, the organic brand, that possibly has a leg up on the rest of industry because government is going to cover off all of these costs of validation and the auditing of farms and the auditing of processors.

The recovery of fees. It says, “The Crown may recover . . .” I would suggest that the Crown probably should recover the costs from the industry based off the other industries there. They’re brand protection types of programs. They’re administered by the industry, and those costs are incurred by industry.

Offences with regard to organic food. In the case of an individual . . .

The Deputy Speaker: Questions or comments under Standing Order 29(2)(a)?

Mr. Hunter: I was very intrigued by what the member was saying and would like to find out a little bit more about his comments and his thoughts on this matter.

Mr. van Dijken: Thank you. I just have a couple more points to finish off with, Madam Speaker. Thank you to my colleague for allowing me to continue.

Under the offences in the organic food portion of Bill 7 we have: in the case of an individual a fine of not more than \$5,000, in the case of a corporation a fine of not more than \$20,000. You know, like, I’m not sure why the individual and the corporation are considered to be two different fines; why the corporation is a \$20,000 maximum and why the individual is a \$5,000 maximum.

My farm is a corporation, but it’s run by an individual. So it makes me wonder: if I was to move into the organic production of grains or others, milk or any kind of organic production, would I be considered as an individual or as a corporation? Would I be inspector, then, consider me as an individual even though I’m a

corporation and limit the fine to \$5,000? These are the kinds of things that I think are a very weak part of Bill 7, where we delineate those two. I don’t understand why we would delineate those two. If there was a delineation based off gross sales or something like that, maybe there’s a reason for that, but I don’t necessarily believe that that’s a necessary type of delineation.

Overall, Madam Speaker, it does disappoint me that I have to vote against Bill 7 and that I cannot support Bill 7. I believe that the minister has good intentions here, but they have put forward a bill that allows way too much leeway for the minister to have power over industry, that I would not be comfortable with and I believe that many Albertans are not comfortable with.

It’s interesting. In the conversations last night I mentioned to the individuals at the beef-and-beer event that, yeah, I was going to be back in the Legislature that evening and talking about Bill 7. One of the gentlemen said to me, “Oh, that’s a nothing bill.” I said, “Well, have you read it?” He said, “No, but I’ve heard that’s a nothing bill.” I brought up the time when we had Chops and Crops, and Bill 6 was introduced that week.

I went to Chops and Crops and the Alberta pork producers association. I had close connections with Alberta Pork at the time. I had a hog operation. I said, “So what’s your guys’ take on Bill 6?” And the individual said: “Oh, yeah. We’re fine with it. They came and talked to us, that they were going to do a workers’ compensation bill. And, yeah, that’s all good. Most of our guys are on workers’ compensation or the like.” I said, “Well, did you read the bill?” He said: “No. No, we haven’t.” I said, “You should read it, and you should get your producers to read it,” because that’s what the consultation does. People read it, and they say: okay, now this is going to affect me in this way.

Right away, you know, within a short period of time all of a sudden we started to hear from producers that had concerns over the initial draft of Bill 6. I must admit that we were able to improve Bill 6 dramatically from when it was first introduced. But that being said, the fact that it was introduced in the way it was has caused the rural communities, the producers of Alberta, of agricultural products to have grave concern with giving the minister or giving this government excess power over the ability to regulate their industry, and we need to be cognizant of that.

If we’re going to have producer buy-in and if we’re going to have healthy industries, we need producer buy-in. If we’re going to move forward in a way that government and producers can work hand in hand, we have to consult, consult, consult. It’s very much like building a home or doing any kind of carpentry work. Measure twice, cut once. It’s standard. You can never consult too much.

The Deputy Speaker: Any other members wishing to speak to the bill? Cardston-Taber-Warner.

Mr. Hunter: Thank you, Madam Speaker. To tell you the truth, I wasn’t actually going to speak to this bill. I think that the issues have been clearly delineated by my colleagues, but after listening to the Member for Calgary-Shaw, I just had to get up. First of all, I have to say that the audacity, I guess, of the Member for Calgary-Shaw to start lecturing a seasoned farmer: it shocked me. Well, actually, I shouldn’t be shocked in this House, but I was a little shocked.

8:40

I have another point that I want to make. Now, the Member for Calgary-Shaw said that when he was the manager of a restaurant, I believe, he was always concerned about the fact that he had to purchase, you know, alcohol from microbreweries down in the States. I think that’s what he said. I want to go on this for a little bit.

If I understand correctly, the name of the bill is: Supporting Alberta's Local Food Sector Act. Let's just think about this for a second, Madam Speaker. Their solution, in their great wisdom, in order to be able to support Alberta's local food sector is to regulate the whole industry. If we just follow this through, I guess that means that they need to make sure that the organic foods that are coming into this province, that already have to follow the rules, these extra certification rules, which obviously is a cost, they have to make sure that the playing field is fair. So how is it that these guys saying that they're supporting Alberta's local food sector, creating regulations for our local producers so that it can be a fair, equal playing field with those foreign producers, how does that actually support Alberta's local food producers?

The argument that they make – you know, it goes back to this whole thing that we've been talking about for a while now, which is this. This government is a government of unintended consequences. Constantly. [interjections] I know that they're chirping over there on that side. You know what? The truth hurts. I know.

But here's the reality. The reality is that if they really wanted to be able to give a competitive advantage to our local suppliers and local producers, they wouldn't regulate them. They'd get out of the way and let them produce it, because every time you regulate an industry, that industry has to pay for it. There's a cost to it. If there was any comparative advantage that our local producers had in Alberta, they are now taking it completely away by adding this.

So, Madam Speaker, the whole argument that the Member for Calgary-Shaw was making earlier about how he was so upset that he had to buy from foreign producers, microbreweries – he is creating, supposedly, at least the minimum of an equal playing field, which could easily drive people out because they can't compete now or because they just don't have the economies of scale. There are so many factors involved. Did he ever think about that? Did the members opposite ever think about that? I doubt it.

Here we are in a situation where they are once again in over their heads, creating policy without thinking about the ramifications and the cost to the very people that they are supposed to be supporting. That's why I think it's absolutely ironic that they would say: Supporting Alberta's Local Food Sector Act. I love how they say these things, yet their bill is doing the absolute opposite.

Anyways, Madam Speaker, I felt it was important to get up and set the record straight. I will not be supporting this bill.

The Deputy Speaker: Questions or comments under Standing Order 29(2)(a)?

Any other members wishing to speak to the bill?

Mr. Nixon: Madam Speaker, I'd like to move a motion to move to one-minute bells for the remainder of the evening.

[Unanimous consent granted]

The Deputy Speaker: Any other members wishing to speak? The hon. minister to close debate.

Mr. Carlier: Thank you, Madam Speaker. I enjoyed listening to the discussion, I think, from both sides. I find some of it somewhat useful. I do. Some of it I find amusing.

It is my pleasure today to rise and speak to third reading of Bill 7, Supporting Alberta's Local Food Sector Act. This legislation is an opportunity for our government to help the local food sector realize its full potential through a more focused and deliberate approach. Alberta and Saskatchewan are currently the only provinces that have not implemented a local food strategy.

There are several key points in this legislation, including setting standards for local organic food, designating a local food week, and creating a local food council. Continuing to support the growth of this industry is an important step in achieving our government's economic diversification and job creation goals. This legislation will help create opportunities to promote the local food industry, enhance consumer awareness and education, and reinforce consumer confidence. Food and beverage processing is one of the largest employers in our province's manufacturing sector, with record sales of \$14.6 billion in 2016. Consumer interest in and demand for local food continues to grow, making this an important market opportunity for rural sustainability and for Alberta producers and processors. In Alberta local food sales and direct-to-consumer channels, farmers' markets, and farm retail have more than doubled since 2008 and exceeded \$1.2 billion in 2017. Alberta has a vibrant farmers' market industry, with more than 120 Alberta-approved farmers' markets, contributing more than \$850 million in 2017 to the growth and diversity of our provincial economy.

This legislation, Supporting Alberta's Local Food Sector Act, is the result of widespread and robust consultation. I have hosted round-table discussions with more than 70 people in the local food sector, including individual producers and commodity group representatives, processors, farmers' market managers and retailers, board members of municipal and district associations, Hutterite colonies, and indigenous people. Furthermore, we received feedback from 170 stakeholders and members of the public through online consultations. Participants were supporting local food and promoting it through a local food week. They were also supportive of enhancing the integrity of organic products and building consumer awareness and confidence around what is and what is not organic food.

They also indicated other ways to promote our province's world-class local food systems such as enhancing local food aggregation and distribution; working with food processors to meet the needs of various market channels such as direct to consumer, retail, and food service; and financial tools through the publicly owned Agriculture Financial Services Corporation, to name just a few.

Bill 7 spells out in detail the aspects of the local food market that the local food council will be asked to explore. The council will provide advice and recommendations within a year. From honey to mead – yes, Madam Speaker, from honey to mead because bees are animals and, actually, within the Department of Agriculture and Forestry they're considered livestock. So honey to mead, barley to beer, pork to bacon: we are blessed with some of the best food in the world.

An Hon. Member: Food is good.

Mr. Carlier: Food is good.

This government is proud to work arm in arm with producers, processors, retailers, and consumers to support Alberta local food. I encourage my colleagues on both sides of the House to support this important bill, that will help ensure a sustainable and diverse local food sector for Alberta's future.

Thank you.

[The voice vote indicated that the motion for third reading carried]

[Several members rose calling for a division. The division bell was rung at 8:49 p.m.]

[One minute having elapsed, the Assembly divided]

[The Deputy Speaker in the chair]

For the motion:

Bilous	Jansen	Phillips
Carlier	Kazim	Piquette
Carson	Kleinsteuber	Renaud
Ceci	Littlewood	Rosendahl
Connolly	Loyola	Sabir
Cortes-Vargas	Luff	Schmidt
Dach	Malkinson	Shepherd
Drever	Mason	Sucha
Feehan	McCuaig-Boyd	Turner
Fitzpatrick	McKitrick	Westhead
Hinkley	Nielsen	Woollard
Hoffman		

Against the motion:

Aheer	Fildebrandt	Nixon
Anderson, W.	Gill	Stier
Clark	Hunter	Strankman
Drysdale	Loewen	van Dijken
Totals:	For – 34	Against – 12

[Motion carried; Bill 7 read a third time]

Government Bills and Orders Committee of the Whole

[Ms Jabbour in the chair]

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

Bill 10 An Act to Enable Clean Energy Improvements

The Chair: Any questions, comments, or amendments with respect to this bill? The hon. Member for Calgary-Elbow.

Mr. Clark: It's a pleasure to rise to speak to Bill 10.

The Chair: My apologies, hon. member. We're still on an amendment.

Mr. Clark: Fair enough.

The Chair: Amendment A1. Are you speaking to the amendment?

Mr. Clark: No, I will not. I've got another amendment to propose, so we'll park that. Thank you.

The Chair: Okay. On amendment A1, the hon. Member for Livingstone-Macleod.

Mr. Stier: Good evening. Thank you, Madam Chair, and thank you to everyone that's come forward tonight to have a listen to what I have to say once again about another great municipal affairs topic. It's a pleasure to visit with you all here tonight on this wonderful evening.

Madam Chair, I've spoken to this bill on several occasions already, both originally in second reading and also on a reasoned amendment that we launched earlier on in this process. It has been interesting to see how the various comments have come forward from the various speakers that have contributed to Bill 10. With that – I've already spoken to it so many times – I will be brief, but I will try to get a few points out tonight that I think are important with respect to the amendments that have suddenly been brought forward by the ministry.

When we first started working with Bill 10, we came across the technical briefing that was provided by the ministry a few weeks ago. During second reading we mentioned a number of concerns that we had after that briefing and especially after we had looked through Bill 10 itself. Members in the House may remember when I first spoke to Bill 10 that one of the major concerns that we had with the bill was that the darn thing was only seven pages long but it contained a vast change in the way municipalities might be doing business in the future, especially in terms of municipal tax and assessments. All of this was based solely on, it seemed to be, bringing in these energy-efficient types of home improvements.

What we noticed there, though, at the same time was that in those seven pages there was an awful lot of information that was missing. Members in the House may recall from when I have spoken to this bill before that I take municipal affairs as being a fairly serious topic, with my background and so on. I've always taken the time, I've thought, with this portfolio to try to ensure that if legislation is brought forward, it should be something that is scrutinized carefully. There is no other portfolio, I believe, in the government of Alberta that affects more people throughout all of these communities than Municipal Affairs. When I see a bill that seems to be vague, which seems not to have a lot of information in it, it makes it very difficult for those of us as legislators to actually be able to give it the proper scrutiny it deserves and be able to look upon it fairly and actually get a good idea of what's being presented and what is really being conveyed in the briefings that we receive and in the comments that we get from the ministry.

You know, it's something that needs to be worded correctly, I believe. It's something that needs to have a good purpose, and it's something that needs to have all of the legalese in it that is required so that if this is handed down to municipalities – that is what Municipal Affairs is about and the Municipal Government Act is about, trying to help municipalities in governing locally – it has all the meat on the bone, it has all the details so that the chief administrative officers, or the CAOs, and their councils and their staffs can work with these new ideas and programs and services that are brought forward and they can do so with the least amount of problems and to a degree of success so that everyone is treated fairly.

In my mind, my question as I read Bill 10 originally was: how could we possibly in all fairness support the bill? This was mentioned again before this amendment came out. How could we give this our support if it was missing so much information?

9:00

It's true that usually during these types of legislations that are brought forward, they do seem to be vague at first, and they do miss a lot of information. One of the problems that we've been complaining about in this House for two to three years now is that a lot of times they've left too much of the meat on the bone to the regulations. Of course, as most people know in the House, we don't debate regulations in the House. We don't have any involvement with that. The folks over on the government side do that. It's hard for us to come up with really, really good, important debate topics and subjects when the legislation itself does not contain sufficient information. You know, it's hard to give it that scrutiny when it's missing.

With the amendment that's come forward now, I was pleased actually to see the amendment come forward. I heard about it last night when I was in my office working. It turned out it was a government amendment that actually looked like it was three pages long, which is a lot larger and heavier than what we normally see in terms of an amendment that comes up during debate in this House. Normally it's a three-sentence amendment from one of the

members, and either it passes or fails. Most often it fails. This one, I was told, was a government amendment, so I was quite interested in that because the original bill is only seven pages long. Well, it has a lot of pages, physical pages, in it, actually. The actual pages themselves, as most of these bills are written, are duplicates. There were only seven pages of information there in its original content. With the amendment we now see it's three pages long, so it's almost fair to say that almost 50 per cent of the legislation that was proposed in Bill 10 is being replaced, totally deleted, or amended.

We went and had a look at that, and this morning, after looking over that the night before, I attended another briefing that the department was quite kind enough to provide to us on our side of the House here. I met with one of my long-term acquaintances in the ministry, one of the assistant deputy ministers, and a couple of the staff. They went through and were kind enough to point out some of the things that are in this amendment. It was, quite frankly, satisfying to me that some of the concerns that we had and some of the missing information that we had concerned ourselves about before were now actually being somewhat addressed. I say "somewhat addressed" because, of course, with my way of thinking and being analytical most of my life, I like to see as much detail as possible, but certainly there are some things in the bill now that seem to be there that weren't before.

Just a few to mention here tonight before we get too far along. We now see that we've got actually some information with regard to key segments and key segments that were missing before, by the way, including some of the serious topics that I thought should have been there, the lending details. Some of the key topics were the topics that were sort of vague in how the municipalities would put these bylaws together. Some of the key topics were talking about how they would administer this and how they would proceed with the actual set-up of changing the tax rolls and putting in a new figure on their assessments. A new tax bill would come out with a new line on it to include a new proposed tax amount that people would pay if that municipality went ahead and proceeded with this new program.

It was actually a pleasant meeting this morning. The key segments now seem to have things. In terms of lending, as an example, they are now finally including some comments about the interest rate. They're now including some comments about the terms of repayment. They're now including some comments with respect to sources of funding, et cetera. This was key stuff, and it looks to me as if the government has admitted through the process that we've done here in the past few weeks that they were indeed perhaps at fault and hadn't quite got enough detail into the legislation, and they felt now that it's necessary to put it in. That's the only thing that you can conclude from that.

The other part that I mentioned a moment or two ago was the clarification to municipalities on the bylaw process. It was interesting to hear from the ministry this morning. They said that they had now gone out and talked to some of the key administrating groups that are involved in municipal affairs, and they had realized that there was not a lot of information in there for those people themselves to work with.

I was, Madam Chair, fairly reasonably surprised and somewhat satisfied with the content of this amendment. We thought that there was some progress made here after this morning's meeting. We wonder, though, why the government didn't do this to begin with. We wonder why the government didn't go ahead right from the start with this new change in how people can actually borrow money through this system, why they didn't take the time to get it right to begin with. We find fault with that. We think that that information was key, and it should have been there.

We also find fault when the government brings forward a program that changes the way credit is going to be dealt with for homeowners, with the lending system. We find fault that the government hasn't included an awful lot of detail about how the different types of programs that are already out there today for borrowing for home improvements are going to be affected.

With that, Madam Chair, while this amendment does address a lot of things that we felt were missing, we do not support this idea as yet. We do feel the whole program is incomplete as being presented. We do not think that this government did their homework prior. We noted in our earlier comments that this same type of program is under class-action lawsuits in the States. We think that there needs to be an awful lot more work done yet. We are, unfortunately, unable to get a chance to look at what is possibly going to be in regulations. Perhaps we could be convinced in another way, or some other form of amendment might come forward again from the government or some other member. But as it stands right now, while we think it's worth while – we're not going to necessarily be very unsupportive of this amendment. We don't find that it's that bad. We think that there is some good information in it, but certainly, when it comes to the regular bill itself, we still find it to be problematic.

Those are my comments for now, Madam Chair. Thank you.

The Chair: Any other members wishing to speak to the amendment?

Rimbey-Rocky Mountain House-Sundre.

Mr. Nixon: Well, thank you very much, Madam Chair. I appreciate the comments from the Member for Livingstone-Macleod, who, I know, has worked very hard on this legislation. His comments about this amendment are very, very realistic.

Mr. Kenney: They're on point.

Mr. Nixon: They are certainly on point.

You know, that member and myself a few nights ago in this very Chamber spent several hours interacting with the hon. Minister of Municipal Affairs about this legislation. We asked the hon. minister several questions about this bill. At the time, Madam Chair, you may recall, the minister had indicated that municipalities would have almost nothing to do with this legislation, that we should not worry about the municipalities that we represent. Then I brought forward some screenshots of the minister's website in regard to this bill, and every task that was associated with this bill had the word "municipality" in it. So we had that long conversation. But he assured me that he had consulted with everybody, and it was all going to be okay.

Then, much to my surprise, yesterday when I was in the Chamber, the Deputy Government House Leader reached out to me and said: "We can't quite switch over to Bill 10, this bill that we're doing today, because we need to move forward an amendment on our own legislation, that we consulted everybody on as soon as possible, but it's still inside the photocopier. Could you please hold back this legislation while the photocopiers can get it out?"

Mr. Kenney: Stop making it up.

Mr. Nixon: I know. I mean, I was quite surprised by that. But, you know, I'm a patient guy, so we held a debate on another bill, and we waited patiently for this amendment. When it finally arrived, Madam Chair, it was still hot. It had just arrived off the photocopier, hot off the presses, if you will. I was then quite shocked to realize that we were debating a four-page bill. When I was telling the Leader of the Opposition about this earlier today, I said that the

amendment was the exact same length of the bill. I apologize. I was off on that. For a four-page bill the government has brought forward a three-page amendment. As the hon. Member for Livingstone-Macleod points out . . .

9:10

Mr. Kenney: What? They're not that incompetent.

Mr. Nixon: Well, it appears so. As the Member for Livingstone-Macleod points out rightly, this amendment changes three-quarters of the legislation that the minister brought forward to this place and is asking for support from my colleagues and myself in this Assembly.

This is the problem that we continue to talk about. We've talked about this on several other pieces of legislation today. This government continues to come to this Assembly with legislation that, shortly after they've tabled the legislation, they come back and try to fix, but before they do that, before they come with their three-page amendment to the four-page bill, they stand in the House, and they ridicule me and my colleagues, my colleagues and I. Sorry; that's a little more grammatically correct. They ridicule us. They tell us that we are fearmongering. They tell us that we're making things up, but then when we confront them with evidence like the screencaps of the website that show what we're saying is true, when we come with, you know, communication from our constituents or from municipalities, the Municipal Affairs minister finally brings forward an amendment to fix it. Sadly, though, Madam Chair, as you know, most often that doesn't happen till the next sitting, so people that are impacted by this legislation have to wait months and months and months under this government's mistakes over and over.

There are so many examples of that. One of the most common examples, I think, is actually on electoral reform legislation, which we have seen in this House every sitting since I have been elected. Every sitting since this government took power they have brought a bill to this House to change things within our election system, some of it good, some of it that we have supported. You know, getting union and corporate donations out of our system this side of the House certainly supported. But then each and every time when we talk to them, we say: "Guys, have you really talked to everybody about this? This section of the bill is going to cause this problem."

Or a great example: during the first sitting in this place when, of course, the government spent most of their time on electoral reform trying to get their campaign expenses paid for by Albertans, we continued to say: whoa; we think this is not a very good idea. I don't know how the constituents of Peace River, Madam Chair, felt about it. I can tell you that the people in Rimbey-Rocky Mountain House-Sundre were not thrilled about the idea of paying for NDP candidates' campaign expenses. It was interesting. You know, the Minister of Infrastructure was with us at that time before she had joined the NDP Party, and she spoke a lot about this issue at the time. It was a serious concern, just like this.

Now you're asking us at 9:15 at night to support an amendment brought forward by the minister. The minister has not spoken to the amendment. That's also interesting to me.

Mr. Westhead: The minister moved that amendment.

Mr. Nixon: I hear the deputy whip is heckling me that the minister moved the amendment, but he did not. Maybe the deputy whip should double-check that. It was moved by the hon. Minister of Children's Services, who moved it with a great speech. I enjoyed the speech. It was interesting. Lots of the stuff that she brought up within this amendment, interestingly enough, is the stuff that was brought up by my colleague from Livingstone-Macleod, who is our

critic on this issue. So I'd like to briefly take a moment and thank him for all of his hard work on this amendment. I think that the constituents of Livingstone-Macleod should be thrilled with their representative, that he was able to catch three pages of mistakes inside the hon. Minister of Municipal Affairs' four-page bill.

I do think that at some point it would be helpful if the Minister of Municipal Affairs would rise and explain how we ended up in this situation but also spend some time assuring the opposition that if we were able to support all these changes, he has actually been able to catch everything that he made a mistake on along the way to this place. I'd be interested to see how many mayors he's spoken to about this, whether or not he's talked to the RMA or AUMA, what their thoughts are on this bill. I continue to be very, very concerned that this government does not consult the people that are impacted by this legislation.

This is very relevant to the amendment, Madam Chair. Yesterday when we were discussing an amendment brought forward by the hon. Member for Drumheller-Stettler that would require the agriculture minister to actually consult with people in the agriculture industry before changing the regulations in the Bill 7, the local food act, which I thought was a very common-sense amendment – I was happy to support it. The agriculture minister, with a gallery full of beef producers who were visiting with us, rose in this House and said – and everybody needs to get this. You have to understand this because this really articulates the problem. The agriculture minister rose and said that consulting with farmers and ranchers and the industry about changes to their industry is too much red tape for the agriculture minister. The irony of an NDP minister talking about red tape, we'll talk about that later tonight, maybe, but that is what we get from this government.

You know, the other side of the House gets usually frustrated when we bring this up, but it would be very, very helpful for me as I try to represent my constituents – I represent something like 25 towns and counties; this Bill 10 will significantly impact them – you know, if the minister would stand up and explain why he needs to change this piece of legislation they just tabled in this place last week, why he has basically rewritten it. At the time, though, that it was rewritten and it came off that photocopier hot to touch, the minister did not rise and discuss his bill; he had the Minister of Children's Services speak about this legislation.

Now we're in a spot where you're again asking us tonight to vote on this legislation that impacts our constituents. We have not heard from the minister. We have not heard any explanation on why basically this entire piece of legislation has been redone. The minister adamantly got very, very upset when we tried to send this bill to committee last week during second reading, when we pointed out the mistakes inside this legislation. He told me personally, Madam Chair, that I was fearmongering. Fearmongering. I was deeply insulted by that at the time, but that's fine if the minister felt I was fearmongering. But then I was proven right and so was the hon. Member for Livingstone-Macleod proven right, not by any magical force or luck. It was the minister sending an amendment back in that shows everything that I and my colleague presented in this place. It was fascinating to me. [interjection]

You know, the Deputy Premier is heckling away but no explanation from that side of the House on why they have to change this entire piece of legislation, no explanation on why I should encourage my colleagues to vote for this drastic change. I mean, this is a technical bill, while relatively short, that has significant impact on constituents and municipalities in particular but also on real estate agents, mortgage companies that will be drastically impacted by this. I don't want to go back to Rimbey-Rocky Mountain House-Sundre and find out that there are more mistakes that the Municipal Affairs minister missed inside this legislation.

You know, the hon. Member for Livingstone-Macleod is very good at these types of issues. He's done a great job. You heard it just in his speech a few moments ago and last week as we were discussing this piece of legislation. But he's not the minister. He doesn't have access to the same level of resources. He can't fully explain what's been taking place here. We need the minister to do that. The question then becomes: where is the minister to discuss this? Why would the Minister of Children's Services – I don't know, Madam Chair, if you find that a little bit alarming. The Minister of Children's Services, I know her well. I've done lots of work with her. She's a very competent minister, but she's not the Minister of Municipal Affairs, you know, and I suspect that she won't fully know or maybe has not been fully briefed on it.

Interestingly enough, too, Madam Chair, when they brought this amendment in hot off the presses, the Minister of Children's Services rose and read the amendment and then adjourned debate and then had no other discussion. There has been no opportunity for the government to respond to that. So I will for this moment in Committee of the Whole yield the floor with a simple question to the government, hopefully to the Municipal Affairs minister, but if anybody from cabinet could answer: what went so terribly wrong that at the eleventh hour they need to rewrite this entire piece of legislation?

The Chair: Calgary-Elbow.

Mr. Clark: Thank you very much, Madam Chair. I won't be able to answer the member's direct question. I'm not yet a minister of the Crown. I sure hope someday that will be my future. But I just want to make a few comments on what the hon. member is talking about.

9:20

I'm not here to defend everything the government does. I'm just fresh off voting against their Bill 7, and I have grave concerns about a lot of things this government does. But what I hear from the opposition all too often is: "We want you to go away and consult. We want you to go ask stakeholders what they think. You don't do enough consultation." So this government goes out, consults with municipalities, gets some significant feedback from municipalities on how this bill can be improved. They present the amendments, table them, and adjourn debate so that all of us in this House have an opportunity to review those amendments and then come back. [interjection] The Member for Cardston-Taber-Warner is telling me that's not how it happened. I was here; that's exactly how it happened.

The Official Opposition wants, on one hand, for the government to go and consult with stakeholders, to incorporate their changes, and then put those into legislation, and when they get that, it's too complicated. It's just too much, information overload. It's big changes to a relatively small bill.

Look, this bill will enable Albertans to use an efficient and effective means of financing solar panels in their homes. That's a good thing. That's a very positive thing. I would challenge the Official Opposition to tell us, please: what is your environmental platform? I'd love to see it. I would love to see it. Let's see it. Do you believe in renewable energy at all? Is there any plan there whatsoever? I certainly didn't see anything coming out of your convention in Red Deer. So this, to me, is a thoughtful bill that improves the ability, that enhances the ability of Albertans to install solar power.

Now, when we get a chance, if I do get an opportunity, I'm going to move an amendment later that I hope even further improves the bill. But, you know, in this case I just find it a bit disingenuous. On

one hand the Official Opposition is asking for consultation and change, and when they get that, they don't like it. So what I see is an Official Opposition that is trying to find every possible way to oppose anything that the government tries to do on renewable energy. When the government does come up with what I think is thoughtful legislation that is worth while and helps Albertans in a way that has very little, if any, cost to taxpayers, this is the sort of thing. This is not the first and only time that PACE legislation has been implemented anywhere in North America, anywhere in the world. This is based on requests from municipalities.

Look, I have lots of concerns with what this government does. I have lots of concerns with the way they've gone about many things. But I have to say that in the Ministry of Municipal Affairs in particular they seem very adept at going out and consulting with the municipalities very openly. They've multiple times tabled changes to major legislation like the Municipal Government Act and allowed for consultation through the summer. We have Bill 8 before the Assembly here again, where the minister has proposed some changes to the Emergency Management Act, tabled the legislation, brought it up to second reading, and given us all an opportunity all through the summer to consult. I'm doing that actively within my constituency. In fact, I'd like to see the government do more of that. In this case it is a response, not just the bill itself, to requests from not only Albertans but from municipalities. The changes that we're talking about here in this amendment are a response to requested changes from municipalities.

Again, I see absolutely no reason for the opposition to be so steadfast against this unless they just don't like the idea of Albertans installing solar panels and doing so in an economically effective way. Clearly, I'm in favour of the amendment that the government has brought forward, and I look forward to hearing what the Official Opposition has to say.

Mr. Nixon: Well, always interesting to hear from the Member for Calgary-Elbow. One of my favourite things about the Member for Calgary-Elbow is that he always makes a tremendous number of assumptions when he speaks. Interesting that he always does that.

Nowhere in my comments just a few moments ago did I even indicate whether or not I would be supporting this piece of legislation. In fact, I was speaking about the amendment that we're debating right now, that the hon. Member for Calgary-Elbow just glossed right over and then started to try to take a guess on how we were going to vote on this piece of legislation. I will help him out. My colleagues in the United Conservative caucus have full intention, actually, of supporting this amendment. From the looks of it, it has primarily been written by the hon. Member for Livingstone-Macleod, who has come to this Assembly and managed to save the minister from making a terrible mistake that would have cost Albertans significantly and would have hurt the people that he supposedly was trying to help.

The hon. Member for Calgary-Elbow has lots of questions that he'd like to ask. I think I've answered them, so how about I ask him a question. If he was fortunate enough to ever have a chance of forming government, would he bring legislation to this House that he would then have to switch one hundred per cent just a few short sitting days later in front of this Chamber? Is that how the Alberta Party would govern the province of Alberta?

The Chair: Any other members wishing to speak to the amendment? Grande Prairie-Smoky.

Mr. Loewen: Under 29(2)(a)?

The Chair: We're in committee. Do you wish to speak to the amendment?

Mr. Loewen: Yeah. Under 29(2)(a)?

The Chair: We're in committee. There's no 29(2)(a).

Mr. Loewen: Oh. Okay. Madam Chair, we're sitting here, of course, looking at this amendment that the government has brought up. I see that what's happened here is the government has finally – you know, it just seems a few short days ago that this government was defending this bill and saying how great it was and how anybody who was seeing anything wrong with it was obviously just crazy and wasn't paying attention. Then all of a sudden, out of the blue, they drop in a three-page amendment on this bill.

Of course, we just heard the Member for Calgary-Elbow get up and talk. We heard him talk about how great this bill was before. Now the bill has substantially changed, and, believe it or not, he still supports it. So I'm not sure. He supported it before in its failed form – even the government recognizes it was a failed form – and now he's still supporting it. I got a kick out of his little rant talking about the Official Opposition. We were sitting here trying to make this bill better and trying to point out the mistakes in this bill and things that could be improved. The government of course wanted nothing to do with that. They called it fearmongering, in fact. Now they've finally realized the error of their ways and decided to change it. It was interesting that the Member for Calgary-Elbow, who thought it was great before – I don't know if he thinks it's bad now or if it's better or what, but obviously he supported it in its previous failed form, too, just like the government.

Now, Madam Chair, there are just a lot of problems with this bill. Where this is tried – I mean, they use California as an example of how great this program is, and of course now there are lawsuits all over the place in California regarding the PACE program there. I don't understand how this government can keep on bringing things forward like this. Now we're talking about all these amendments and everything. They're trying to fix their mistakes. There are just a lot of different things going on here.

The government at least at this point has decided to fix some of the problems. Again, these were problems that were pointed out by the Member for Livingstone-Macleod and his good work. It's good to see that the government is actually willing to admit they make mistakes. It'd be great if they would do this more often and maybe fix more of their legislation. We bring forward a lot of good amendments, and this government just votes them down. We'll see what happens with this amendment. We'll see what the government has to say. Hopefully the minister will have something to say about it, too.

Thank you.

The Chair: Any other members wishing to speak to the amendment?

Seeing none, are you ready for the question?

[Motion on amendment A1 carried]

The Chair: Back on the main bill. Are there any further questions, comments, or amendments? The hon. Member for Calgary-Elbow.

Mr. Clark: Thank you very much, Madam Chair. I rise to table what I hope is an amendment that will improve Bill 10. This amendment I move on behalf of the Member for Calgary-Mackay-Nose Hill, who, I will say, has done a great deal of work on this and given a lot of thought to it. I would sincerely hope that the House would consider this.

The amendment that I propose on her behalf enables municipalities to finance or refinance energy efficiency improvements that are already under way or improvements that

have already been completed. Before I move on, I will hand over the amendment to a page and will wait till the table receives it and then move on.

9:30

The Chair: This will be amendment A2.

Go ahead, hon. member.

Mr. Clark: Thank you very much, Madam Chair. Member McPherson to move that Bill 10, An Act to Enable Clean Energy Improvements, be amended in section 7 as follows; (a) the following is added after the proposed section 390.3:

Exception

390.31 Notwithstanding section 390.3, a clean energy tax improvement bylaw may authorize a council to impose a clean energy improvement tax in respect of renovations, adaptations or installations commenced or completed prior to the passage of the bylaw if the renovation, adaptation or installation, other than the date on which it was commenced, meets all other requirements for clean energy improvements under this Division and any other conditions deemed necessary or appropriate by the council.

And (b) the proposed section 390.4(1) is struck out, and the following is substituted:

(1) A municipality and the owner of a property shall enter into a clean energy improvement agreement before a clean energy improvement tax is imposed on the property.

I could just say that that's self-evident, but I suppose I should probably keep reading the rest of the statement.

This amendment is broken into two main parts. The new 390.3(1)(a) allows municipalities to refinance improvements started or completed before a PACE bylaw is passed, and the new section (b) requires the property owner and the municipality to complete an agreement before an improvement tax is imposed in parallel with section 390.4 in the bill. There are two reasons for this.

The first: solar and other energy efficiency improvement installers have told us that business has already slowed down as a result of the announcement of the PACE program. A lot of Albertans are eager to undertake energy efficiency improvements that are financed by a municipality rather than the banks. I think we should incentivize Albertans to delay their energy efficiency upgrades for the months or years that some municipalities will require to spin up their own PACE programs. This, I believe, is an unintended consequence of this bill. Not all municipalities will in fact implement those PACE programs, but we can reasonably expect that certainly the major centres, whose mayors support this program, will work quickly to pass relevant bylaws that will make this program available on behalf of Albertans. I have to say that I believe many municipalities, large and small, are very likely to follow.

I also think it's important that we don't punish property owners who took the initiative early on to install energy efficiency upgrades. They're now, unfortunately, at a disadvantage compared to those who install upgrades as a result of this program because they were the early adopters and did not have the benefit of low-cost financing that would be available through the municipalities. Forward-thinking landlords are especially disadvantaged without this retroactivity because those who build or renovate with the PACE program can offer more energy- and cost-efficient spaces to potential tenants, that first-mover home and property owners alike are more likely to take on costs of further energy efficiency improvements.

I would suggest that it's important we help those champions lead the way to spread energy efficiency improvements to as many buildings as possible by allowing them to refinance their improvements at the lower cost we're determining through this bill.

Even if they use the proceeds from refinancing existing improvements for investments unrelated to energy efficiency, Albertans will still benefit from more value-added activities, jobs created in renovations, et cetera. Since this program, whether retroactive or not, will draw primarily upon private financing, looking for secure, long-term returns, there is little risk that adding a retroactive aspect to it will reduce funding available to new improvements.

In summary, this bill opens the door to municipalities to offer retroactive financing for existing energy efficiency improvements or improvements all under way. It does not require municipalities to offer a retroactive program. With or without this amendment, municipalities will still need to decide, with public input, whether and how to implement their PACE programs.

So I would encourage all members of this House to support this amendment because I truly believe it does make what is a good bill that much better.

Thank you, Madam Chair.

The Chair: Any other members wishing to speak to amendment A2? Calgary-East.

Ms Luff: I'd just like to respond quickly to this amendment, and I'd like to thank the Member for Calgary-Elbow for bringing it forward. Certainly, we recognized that there are some concerns that have been brought forward regarding retroactivity and the possibility of business not picking up because people are waiting for this to be implemented. However, there is some concern on behalf of municipalities. Basically, if we're making the PACE program retroactive, what it means is that municipalities would have to give out a loan on a program that doesn't exist yet before they're actually able to come up with the mechanism to collect the money. This would reduce public transparency and accountability and place the municipality at risk of misalignment with to-be-determined program criteria as developed by Energy Efficiency Alberta or by municipalities.

Basically, it is possible that the program that – you wouldn't want the program to not align with the regulations and the bylaws put in place later. Just suddenly starting to pay people for things that they've put in place already, before the program has even been instated or before the bylaw has been passed, could create misalignments, so I would encourage all members of the House to vote against this amendment.

Thank you.

The Chair: Any other members wishing to speak to the amendment?

[Motion on amendment A2 lost]

The Chair: Any further questions, comments, or amendments with respect to this bill?

Some Hon. Members: Question.

The Chair: You're ready for the question? All right.

[The voice vote indicated that the remaining clauses of Bill 10 were agreed to]

[Several members rose calling for a division. The division bell was rung at 9:37 p.m.]

[One minute having elapsed, the committee divided]

[Ms Jabbour in the chair]

For:		
Bilous	Hinkley	Miranda
Carlier	Hoffman	Phillips
Carson	Jansen	Piquette
Ceci	Kazim	Rosendahl
Clark	Kleinstauber	Sabir
Connolly	Littlewood	Schmidt
Cortes-Vargas	Loyola	Shepherd
Dach	Luff	Sucha
Drever	Malkinson	Turner
Feehan	Mason	Westhead
Fitzpatrick	McCuaig-Boyd	Woollard
Gray	McKitrick	

9:40

Against:

Aheer	Gill	Nixon
Anderson, W.	Hunter	Stier
Drysdale	Kenney	van Dijken
Fildebrandt	Loewen	

Totals: For – 35 Against – 11

[The remaining clauses of Bill 10 agreed to]

[Title and preamble agreed to]

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

Hon. Members: Agreed.

The Chair: Opposed? That's carried.

Bill 2

Growth and Diversification Act

The Chair: Are there any further questions, comments, or amendments with respect to this bill? The hon. Member for Strathmore-Brooks.

Mr. Fildebrandt: Thank you, Madam Chair. For members joining us this evening and those of you watching from home – I'm sure we have a wide audience this evening – I've got a series of amendments going forward here to Bill 2. I'll speak to the bill more broadly right now, adding to some of my previous comments, and then speak to the amendments specifically.

The bill before us right now has been framed by the government and in the media as a regular corporate welfare bill, that we're going to take the resources of government, pick winners and losers, one industry over another, and subsidize that industry. Now, Ronald Reagan said that the . . . [interjections] I'm shocked to hear that New Democrat members don't love it when I quote Ronald Reagan.

Ms Hoffman: It's the same quote every day.

Mr. Fildebrandt: I was going to give you the same quote. It's such a damn good quote because of where we're at. He said that the government's approach to economics is that if it moves, tax it; if it keeps moving . . .

An Hon. Member: Eat it.

Mr. Fildebrandt: . . . regulate it – enough from the peanut gallery – and if it stops moving, subsidize it.

An Hon. Member: Shoot it. Shoot it on somebody's property.

Mr. Fildebrandt: I'm going to have to concede that point. I can't think of a good comeback, but I tagged it.

Now, this approach has certainly applied to the government's economic approach broadly. It's applied to their approach to pipelines. They've taxed our economy and our industries. That didn't stop them from moving. They brought in heavy regulations. That didn't stop them from moving. But when it eventually did stop, now we're in the business of buying pipelines. This bill specifically, though, is not dealing with pipelines; it's dealing with two very different things. It's dealing with, generally, digital economy. That's a sector of the economy we should be supporting but not at the expense of any other sector. This brings us to the broader argument of reforming the tax code to do away with tax credits and subsidies for any particular industry. We shouldn't be doing it for just this industry; we should be doing it more broadly.

But in addition to corporate welfare, this bill more specifically gets into a very different kind of economic diversification. It gets into trying to micromanage the workforce, not just trying to pick winners and losers in the economy but trying to pick winners and losers in the labour force. This bill prescribes very clearly, not just in digital media but in the entire economy, that they are going to provide subsidies to businesses that meet quotas on race and gender. Now, they're not hard quotas. Businesses aren't forced to meet them, but they will be given a subsidy from the government if they do. So businesses that do not or cannot meet these quotas will be paying taxes to the government and not receive that back, but their competitors who do meet the government's quotas will, creating an uneven playing field.

Now, I believe that any legislation that categorizes people on the basis of their race or their religion or their sex or their beliefs should not be passed by this House. It is incompatible with our beliefs. It's incompatible with the values that are supposed to be behind the Charter of Rights and Freedoms.

I've been surprised to see that I've been the only member voting against removing requirements for race and for gender from this bill. I'm not quite sure what the reasoning is. It is perhaps the least conservative thing we can do, to be supporting an element of legislation that subsidizes businesses for hiring one group over another. Now, some people are born with advantages and a head start in life, and some people are not. But those things are far more complicated, far more diverse than what the government is able to box people into, in neat little categories. Being born – you know, if we're talking about just hiring visible racial minorities, some minorities face greater disadvantages than others. Some visible minorities face relatively no discrimination at all while some suffer more, but this bill will lump them all together as one large category. Essentially, you may as well put a bar code on every employee in the province and assign them a score about how much help this government believes that they need.

Now, this bill itself I don't believe should be passed, period, but I'll be putting forward a series of amendments here to try and clarify a few things. But before I do that, I'm going to give members the opportunity to remove entirely all references to subsidies for race and for sex whatsoever from this bill. I'm opposed to the bill generally. I don't think we should be in the business of corporate welfare, but more specifically we should be focused on making legislation as least bad as possible where we have the opportunity.

I'll put forward this amendment now before continuing.

The Chair: This will be known as amendment A4.
Go ahead, hon. member.

Mr. Fildebrandt: Thank you, Madam Chair. The amendment before members right now would strike in its entirety section 2 and

schedule 2 from the amendments to the Investing in a Diversified Alberta Economy Act.

Now, when the NDP talked about economic diversification in the past, generally I always took that to mean that they don't like that we produce such a high proportion of beef and of agricultural products and of oil and gas products, and they want us to do other things. Now, in the area of economics we should be doing other things, and Alberta's economy has become increasingly diversified over the last three decades without the power of government trying to force businesses to do it.

9:50

But the NDP campaigned on a platform of increased government activity in the economy. That's generally what I thought they meant by economic diversification, but I never thought that they took this to mean that the government needs to decree diversity in the workforce. It seems to me entirely beyond the reasonable scope of government for the government to be deciding who should be working at companies. As I said, it's not a hard quota. Businesses are not forced, compelled by the law to meet the government's quotas, but they will receive an incentive, a subsidy, if they do.

But every carrot the government yields is also a stick, so when the government incentivizes one business to meet these quotas, businesses that do not meet the quotas – and some of them might have good reasons for it; they might be in an area that doesn't have large minority populations – will be paying taxes to the government, which will see subsidies go to their competitors, their competitors who have met these quotas. So every carrot the government yields is also a stick at the same time.

The amendment before you now is quite clear: strike section 2 and schedule 2 of the bill, entirely removing all references to race and gender in this bill.

The Chair: Any other members wishing to speak to amendment A4? The minister of economic development.

Mr. Bilous: Thank you very much, Madam Chair. I rise to encourage all members to vote against this amendment as it very much is against the spirit and intent of this bill.

The Chair: Any other members wishing to speak to amendment A4?

Seeing none, I'll call the question.

[Motion on amendment A4 lost]

The Chair: Any further questions, comments, or amendments with respect to this bill? Strathmore-Brooks, did you wish to speak again?

Mr. Fildebrandt: Yeah.

The Chair: Go ahead.

Mr. Fildebrandt: All right. Well, seeing as how all members of this House seemingly support the idea of government subsidies for businesses meeting race and gender quotas, I think we should at least try to clarify something here.

I'll distribute this amendment before going further.

The Chair: This will be called amendment A5.
Go ahead, hon. member.

Mr. Fildebrandt: Thank you, Madam Chair. The amendment before members here will keep the bill intact. Since members wish to see subsidies for meeting gender and racial quotas, I think we at

least need to clarify what constitutes the groups that make up that quota.

This would add a section to the bill stating:

(l) “under-represented employee” . . .

the government’s own term here,

. . . means an employee belonging to a group whose representation in that line of employment is significantly lower relative to that group’s representation in the general population.

Now, that would seem to be, I think, a reasonable definition of what they’re trying to meet. I think it’s ridiculous that we’re trying to meet quotas, period. But if we’re trying to meet quotas here, we should be defining it. Right now it just says “under-represented employee” and leaves that up to the minister. Now, the minister can make that whatever he or she so chooses. They can decide that there are not enough people with red hair in an industry. Perhaps we need to encourage people with red hair to be more involved in the digital business. Perhaps we need more people with green eyes in a different business. I see all the green eyes are cheering right now. You know, I personally like six-two, bearded men. I think there are a few who will go for that one.

But right now, leaving the definition, though, of underrepresented employee entirely up to the minister: now, what are they going to mean by that? Are they going to carry that into religions? Not all religions are disproportionately of a visible minority. Is it going to mean sexes? Right now, virtually, there are very few places other than the government’s caucus – I have to give credit – where it’s perfectly gender balanced. But very few areas in the private sector are perfectly 50-50. There can be very few areas. But, as I said the last time we debated this, some industries or some businesses are going to tilt one way or another, and sometimes there are good reasons for that. Sometimes there are no reasons for that. Sometimes there might be a bad reason for it. You know, in some industries there might not be as many men working there. Does that mean a business needs to have more men there? I personally don’t think so, but if we’re talking about underrepresented employees, then perhaps so.

What this amendment does is that it attempts to clarify. “Under-represented employee” would be defined in this – it’s just saying: “an employee . . . whose [group’s] representation in that line of employment is significantly lower . . . to that group’s representation in the general population.” I think that on the surface that should mean what they’re trying to get at, but it would at least put it on paper here so that it’s not just simply up to the minister to come up with whatever categorizations and little boxes they seek to put people into in assigning who gets subsidies and who does not.

The Chair: Anyone else to speak to amendment A5?

Seeing none, you’re ready for the question?

Hon. Members: Question.

[Motion on amendment A5 lost]

The Chair: Strathmore-Brooks, go ahead.

Mr. Fildebrandt: Thank you, Madam Chair. I’ll distribute this before speaking.

The Chair: This is amendment A6.

Go ahead, hon. member.

Mr. Fildebrandt: Thank you, Madam Chair. If the government’s goal here is to have quotas for businesses to meet, gender and racial quotas, in the private sector, they should at least allow for some degree of flexibility for businesses to be able to meet this. They’ve determined that this is a desirable goal that they wish businesses to

meet, and they’re going to bribe businesses with their own money to meet it, but a business’s ability to meet these quota targets will depend on the community that they’re in, in particular smaller communities.

10:00

What this amendment I’ve put forward will do is to ensure that businesses in communities that can prove that they simply don’t have enough of the groups identified in the quotas to hire are not penalized for it. A lot of our smaller communities in many cases are not as diverse as our larger communities, but there are certainly exceptions to that. In Brooks we have a very diverse and multicultural community. We have a lot of people from Somalia, Ethiopia, Sudan. We have some East Indians. We have a lot of Filipinos. Brooks is a very diverse community, especially for its size. It’s one of the most diverse communities per capita in the entire country. So if we’ve decided that we want to go down this road of quotas, a Brooks business would have a significantly easier time meeting these quotas than a business, say, in Bassano or in Strathmore.

It is just a fact that many of our smaller communities are not as culturally or ethnically diverse as others, so what this will do is ensure that businesses in communities that simply do not have a high proportion of groups identified by the minister for these quotas are not penalized. Strathmore is a significantly less culturally and ethnically diverse community than Brooks. They’re almost the same size – Brooks is just a little bit larger than Strathmore is – but a business in Brooks would have a significantly easier time meeting the government’s requirements to get these subsidies for meeting quotas than a business in Strathmore.

I think that that would be a pattern that you would see repeated across Alberta. In particular, our two larger cities are, on aggregate, more diverse. They have a larger proportion of ethnic and minority communities than smaller communities, and I think we would be well advised to ensure that smaller communities or communities that do not have as high a proportion of minorities and these other groups identified for subsidies here are not penalized as a result. This will ensure some level of fairness across Alberta so that a business in Strathmore is not penalized just because they don’t have the population around it to be able to meet these quotas.

The Chair: Any other members wishing to speak to A6? The hon. minister of economic development.

Mr. Bilous: Thank you very much, Madam Chair. I merely rise to make a very brief comment that, in fact, I think the Member for Strathmore-Brooks has missed the mark when it comes to his comments on this bill. We’re not talking about quotas; we’re talking about a very small diversity top-up rewarding businesses that are employing underrepresented groups. Clearly, there are barriers to employment for those groups. This bill seeks to address that by providing an additional incentive in addition to levelling the playing field with other jurisdictions that have enjoyed a tax credit of this nature for some time.

For that reason, I encourage all members of the House to defeat this amendment. Thank you.

The Chair: Strathmore-Brooks.

Mr. Fildebrandt: Thank you, Madam Chair. Now, I appreciate the minister’s comments although they didn’t speak to this amendment specifically. This amendment would leave the government’s quotas in place, but it would ensure that communities, particularly smaller communities, that might not have the same diverse proportion of their population as larger communities in Alberta do are not

penalized for it. Many of our smaller communities in Alberta simply do not have large cultural or ethnic minority communities, and this bill would penalize them.

These are, in fact, quotas. There are hard quotas, and there are soft quotas. A hard quota would be saying that they must hire X per cent. That's not what this does. It is a soft quota, saying that if they hire this per cent, the government is going to give them a subsidy for doing so. That is a quota because businesses that do not meet this government's quota will still be paying taxes to the government but will see a proportion of their tax dollars go to their competitors. They will go to their competitors and not to themselves, putting them at a comparative disadvantage. But beyond that, what it does is that it discriminates against many Albertans simply because of the colour of their skin.

Frankly, I think that any quota denigrates the work of people who have got there on their own. I've spoken to many women in my constituency about this bill, and I haven't found one yet who supports it. The women I've spoken to in my constituency have achieved what they have without handouts. They have achieved it themselves. I think when we attach quotas to people's races or to their sexes or to their cultures, we are denigrating those in those groups who have got there on their own. We are saying that you're not good enough to do it yourself, that the government needs to step in.

If we are saying that we need to give a subsidy to hire women – even if it's 5 per cent – this is the government tacitly saying that women must be 5 per cent poorer employees, and that's just not true. Women can do any job just as well as a man, and they don't need a subsidy to do it. When we offer them a subsidy for it, I think it takes away from the women who have achieved what they have without a government handout to do it.

The same applies to minority communities: ethnic, religious, cultural. We are saying that they are not good enough to do it on their own, that they need a handout from the government. It takes away from all of those being singled out for special help in the categories that will be established by this bill. We are telling those people that they are not good enough to do it on their own, that they need the big hand of government to help them out, that they couldn't do it on their own.

So for the dignity of work, the dignity of people who have achieved what they have on their own merits, I would ask members to vote for this amendment and then against this bill on the grounds that we would be taking away from the achievements of women, the achievements of minorities who have gotten there on their own without a handout.

Thank you.

The Chair: Any other members wishing to speak to amendment A6?

Seeing none, I'll ask the question.

[Motion on amendment A6 lost]

The Chair: Any further questions, comments, or amendments?

Mr. Fildebrandt: I just want to vote.

The Chair: You're not speaking, Strathmore-Brooks?

Any other speakers to the bill?

Are you ready for the question?

[The voice vote indicated that the remaining clauses of Bill 2 were agreed to]

[Several members rose calling for a division. The division bell was rung at 10:08 p.m.]

[One minute having elapsed, the committee divided]

[Ms Jabbour in the chair]

For:

Bilous	Hinkley	Nielsen
Carlier	Hoffman	Phillips
Carson	Jansen	Piquette
Ceci	Kazim	Renaud
Clark	Kleinsteuber	Rosendahl
Connolly	Littlewood	Sabir
Cortes-Vargas	Loyola	Schmidt
Dach	Luff	Shepherd
Drever	Malkinson	Sucha
Feehan	Mason	Turner
Fitzpatrick	McCuaig-Boyd	Westhead
Gray	Miranda	Woollard

Against:

Aheer	Gill	Nixon
Anderson, W.	Hunter	Stier
Drysdale	Kenney	Strankman
Fildebrandt	Loewen	van Dijken

Totals: For – 36 Against – 12

[The remaining clauses of Bill 2 agreed to]

[Title and preamble agreed to]

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

Hon. Members: Agreed.

The Chair: Opposed? That's carried.

Mr. Mason: Madam Chair, I move that the committee rise and report.

[Motion carried]

[The Deputy Speaker in the chair]

The Deputy Speaker: The hon. Member for Calgary-Northern Hills.

Mr. Kleinsteuber: Thank you. Madam Speaker, the Committee of the Whole has had under consideration certain bills. The committee reports the following bill: Bill 2. The committee reports the following bill with some amendments: Bill 10. I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

The Deputy Speaker: Does the Assembly concur in the report?

Hon. Members: Aye.

The Deputy Speaker: Any opposed? So ordered.

Government Bills and Orders Third Reading (continued)

Bill 11 Lobbyists Amendment Act, 2018

The Deputy Speaker: The hon. Minister of Labour.

Ms Gray: Thank you very much, Madam Speaker. The Lobbyists Amendment Act, 2018, aims to make lobbying more transparent in

Alberta. The underlying principle is that all Albertans should be able to see who is being paid to actively try to influence government. At the same time, the legislation recognizes that lobbying is a legitimate activity. It's critical that Albertans, including businesses and organizations, have reasonable access to public office holders and an opportunity to provide feedback.

On that note, I would like to say thank you to all who have spoken on this bill to date. The Lobbyists Amendment Act, 2018, and the changes within came from the work of a legislative committee. So thank you to the members of the committee for the work that they did and the recommendations that they made to government, which allowed us to bring forward this important change to how lobbying is conducted here in Alberta.

Thank you, Madam Speaker.

The Deputy Speaker: Are there any other members wishing to speak to the bill? The hon. Member for Chestermere-Rocky View.

Mrs. Aheer: Thank you, Madam Speaker. As always, it's a privilege to stand and speak in the House on the Lobbyists Amendment Act, 2018. There are a couple of things I want to chat about. One of them is specifically around red tape. We've been talking about red tape quite a bit this evening. That's one of the concerns that I have with this bill.

I just want to give an example. We've talked about this a few times. I understand where the 50-hour number came from. We started at 100. The office of the Ethics Commissioner talked about zero. I see how you ended up in the middle. It makes sense. I'm sure you've heard this, too, Minister, but that is a very, very small amount of time for folks that are going to be talking. One of the major concerns is, of course, when a group of people is reaching out to government to have those discussions and you are completely minimized by the amount of time that a lobbyist can come in and speak to you about their cause.

This is a very, very difficult thing for lobbyists to be able to do, especially if there are several people that are coming in to talk to you about any particular thing. It could be as simple as wind and solar. We have groups coming in to speak to you about particular types of energy, anything, whatever it is that government or opposition spends their time doing and learning about particular things that are going on in the province. We are very much limiting especially for some of these small groups when they are trying to be able to speak with government or with the opposition about things that are important to them. Then imagine if they're talking to both of us. It's a ton of their time.

There are a lot of things in this legislation, I think, within the regulations that need to be clarified. What counts as lobbying, what pieces of that? Is that the phone calls? Is that the preparation? I mean, preparation is included in this legislation.

I wanted to give an example. If you look at a personal circumstance of an advocate – I'll use myself as an example. I am a mother of a special-needs child. That obviously makes me an advocate. If I put together a parent group in Chestermere, where I live, this group of people is going to be getting together to advocate on behalf of a particular group of children in this particular situation, these special-needs children. Therefore, when I create that group, now I am subjected to rules and a massive amount of paperwork in order for me to be able to lobby because now I'm considered a lobby group.

There are many, many families – I mean, it's not even necessarily a disability. It could be an illness. It could be a lot of different things. You set up a support group for the parents and the community members around those people. Maybe you set up a mailing list, or you set up a method to communicate, and you

become a not-for-profit. Maybe you're setting up a group that you put these families together so that they can talk about their experiences and what they're going through so they become a stronger community, so they're able to support at the community level these children, these people that are an important part of their community. So they put together a not-for-profit. They start having meetings. They're running – I don't know – some sort of funding in order to pool their funding to be able to run programming.

This is normal. I'm not talking about something unusual. We all live in communities. We all know that these things go on. I can tell you about a thousand different things that I've participated in. This is a grassroots type of communication, but because I fall under the auspices of certain things that are being laid out by the Lobbyists Act, I suddenly become part of a group – it's making it very difficult for me to be able to provide those supports for that particular group of people.

I think that in looking at maybe the hours of the organization – I do appreciate the bill. I realize the importance of this. I do realize the importance of the transparency, but I think we've overlooked some of the important fundamental ways that families, communities, and people just in general gather to make sure that they make their communities better. I think that fundamentally we have to look at how it is. Are we actually stopping those groups from happening? There is so much good work that is done by so many of these people that work together to make their communities better. We just have to be careful that the red tape in this particular type of legislation isn't stopping this from being able to happen. This is one of my concerns.

10:20

I think that every single person in this House is a passionate advocate. We are surrounded by a lot of people who are passionate advocates. I'm not saying that paperwork shouldn't be done. I believe that that's a necessary part. But when we are burdened with paperwork – I really don't believe that this is the intention of this legislation, but there will be a burden of paperwork. Again, you are putting up barriers to excellent work that is being done in the communities, and I would just recommend that there may be some flexibility.

There was a letter that came in from the Alberta Chambers of Commerce. I'm not sure, Madam Speaker, if the minister received this as well. I'd like to read this quote out.

Reduction of the lobbying time threshold, from 100 to 50 hours, and the inclusion of "preparatory time" and "grassroots communication" as lobbying activities, would dramatically change the reporting requirements for many community-serving organizations. In turn, the proposed requirements would increase administrative burdens on organizations with limited staff resources, including local chambers.

Changes to the reporting requirements may force chambers to limit activities which benefit their local community by . . .

This is the most important piece here, especially in instances where you're

. . . connecting government with constituents. Organizing traditional community activities like luncheons with elected officials is one important example.

Oh, this is another really, really important piece. Madam Speaker, in the legislation why is there no ability to let the lobbying groups know what's going on? I'm going to go into that a little bit more. This was actually one of the pieces that was put forward by the Ethics Commissioner, to be able to let lobbying groups know of changes and anything that's happening so that they do not break the rules of what it is that they're allowed to do. But I'll get into that a little bit later.

Developing and circulating regular newsletters to local chamber members and community partners is another.

This is a way that is preparatory time. It is a methodology, Madam Speaker, of communicating with grassroots communication. If that's considered part of the 50 hours – I mean, we lose a lot of time in prep time. I write between nine and 12 articles a month for the various local newspapers that are in my area. I can't imagine if I was advocating for something and the amount of time that it takes to write those articles was also considered part of my lobbying. That could take a tremendous amount of time away from me as an advocate from being able to do good work with people physically. It's just something to think about.

Often, at the request of government, these communications include educational content and resources directed at the business audience.

It is essential that government engage with business at the local level. Grassroots communication is critical to that engagement. As such, in amending legislation, it is critical to avoid the creation of red tape . . .

This is coming from the chamber.

. . . that could unnecessarily limit healthy communication activities which support an informed and civically engaged public.

That's why we're all here. Fundamentally, that's why we're all here. I don't believe it was the intention of this legislation to put those kinds of limitations on things, but we are looking at actually shutting down communication not just amongst the grassroots but to us as well, right?

I have this wonderful fellow who's in Langdon who's trying to start a bus service. We're going to be having meetings to talk about how that happens. Especially out in Chestermere, which is just outside of Calgary, we've never been able to create a transit to be able to get our youth into town or even just to the boundaries, you know, when they're not quite driving yet, to be able to go and work at, like, the movie theatre or Winners or whatever, any of those kinds of things. There's been a lot of talk about doing some sort of bus service. This fellow who works in Langdon is just a great guy, and he's got this service going. We've had a couple of meetings together just to talk about what's available or how to get him organized, all these kinds of things, who to pass him on to.

You know, these are fundamental pieces. As an MLA in an area that is as diverse as Chestermere and that area, I have to be able to have the ability to talk these things out. I can't just say: "Well, you have a half an hour, and that's it. That's all I can offer you." It's not because of me but because he might want to be able to talk about this with various other people. He's going to need to do his outreach. He's going to need to do his stakeholder outreach. He's going to need to be able to provide recommendations in order for anybody at any government level to be able to support him, if that's possible, to be able to procure what he needs to be able to do his business. It's not because we as government can help him with his business, but we can certainly find out if there's even a need for that.

Now, this is more of a municipal thing, but as a provincial legislator my responsibility is to make sure to close those gaps so that that municipality and that fellow can have that conversation. Is he going to have to put that into his work pieces, having done outreach and stakeholder outreach for his own thing that he's trying to accomplish, because he's talked to a government member? These are the things where I think we're lacking a little bit of clarity. I'm not sure how that applies.

I don't think anybody who is reading this legislation who's a small group – I think the larger groups will understand how to do

this, but we're talking about a small group of people. I'm just talking about one person, but if he starts a group of people, a network of people that are wanting to do this bus thing, and they start a group that is lobbying the municipal government or anything like that, how does he do that? That's just one example. The minister is, I'm sure, able to answer that for me.

But that's just one example. We have so many municipalities. I use Langdon as an example. They're a very, very high-functioning group of volunteers. They have a group called the collaborative. They meet with the chamber. They work together all the time. They're trying to build a school there that has a recreation centre attached to it. They've done a tremendous amount of work, and they are working together to support between three other groups trying to make this thing happen. Again, if they're lobbying for information about how to do this to make their community better and they're speaking with their municipal and provincial politicians, if I write a letter of support for them to be able to ask for this grant or that – their preparation time that went into that to ask me to do that: how much of that is taken out of their 50 hours of lobbying? How do you account for that, and how are you going to follow up with that? I'm just asking simply because I think there needs to be a flexibility here.

I would assume for the government members, with the outreach that they do as well, that it's imperative, for the government especially. You're going to get lobbied on absolutely everything, so how are you monitoring that? How are you making sure that's working out? You have these wonderful small communities, these groups that work so hard to make their communities better. I'm quite concerned by the addition of preparatory time. I'm very concerned about the way the communications go, that if you're circulating a newsletter, that's considered part of your lobbying piece, that's considered part of that 50 hours. I would highly recommend that the minister look at this and see if this is the right way to go.

I fully understand that necessary things are being done here. I mean, we've all had the privilege of being within those committees and talking to the Ethics Commissioner. We know what's necessary, but red tape is certainly not a necessary piece of this. We want healthy communication. We want that to happen. I don't know about you guys, but on this side of the House we are in need of that feedback. We rely heavily on feedback from our stakeholders. What if the lobbyists become less generous with their time, right? What are we going to do at that point in time if they're not able to do that? I don't want us as a Legislature on both sides of this – because it's not just us. I'm just talking about our side, but I don't want us to be penalizing the people that we're supposed to be representing. I think that this could do that. I think there's a distinct possibility that we would be absolutely penalizing not only stakeholders but people that have lines of expertise that are necessary for us.

10:30

I know that, for me, I've had the privilege of having four portfolios. There are a lot of acronyms in those portfolios. I'm acronymed out. However, I've had the privilege of meeting some of the most incredible people in my life throughout all of those portfolios, and I can't imagine if they're limited by the time that they'll be able to spend with somebody like me to educate me on the things that I need to know in order to represent them appropriately in this House. It's an imperative part of what needs to happen. I do understand the need for transparency, and I do understand the need for accountability, but we do not want to also stop that flow of information.

I mean, I actually know that for any of us who've worked on volunteer organizations or advocacy groups, 50 hours goes by like

that. Think about how long – I don't know about you, but I try to create these flyers and stuff in Vistaprint. I'm horrible at this. It might take one person an hour; it takes me, like, 10. If I was the person who was in charge of that in an advocacy group, they would use up that time in a millisecond. It's because that's just not my gift and not my talent. But if that's considered part of the prep time – in order to send out a flyer to talk about a group for special-needs families that's a support network and a charitable foundation that I'm trying to bring people together for in the little rec centre in Chestermere, it took me 10 hours to do my Vistaprint thing. I think I've just wasted a whole bunch of lobbying time and imperative time to actually be able to help my community. I'm just using myself as an example. Don't hire me to do your Vistaprint posters. I'm terrible at that.

Mr. Nixon: Give it a try.

Mrs. Aheer: Vistaprint is easy, I know. I'm horrible at that stuff.

Anyways, the other thing, too, is that there are going to be additional funds that are going to have to go to the Ethics Commissioner in order to be able to handle all the influx of information that's going to come in. There is a potential for an onslaught of inquiries that they will receive as small organizations didn't have to file previous to this, and on top of that, they're going to have to try and figure this out under new legislation. Now we're bringing them under the Lobbyists Act, which they weren't part of before.

It's a bit disappointing that the government didn't follow the office of the Ethics Commissioner's recommendation to change the filing system. The recommendation was that they change it from a semiannual to an annual filing because in any sort of small groups, small organizations the first six months are really similar to the last six months. There are not a whole lot of changes. We've seen that consistently over the years. All of us have been involved in that long enough.

Again, to the minister: if there's a possibility to change that and follow the OEC's recommendation on that, I can tell you that the lobby groups would be extremely, extremely grateful for the time. Also, it gives them that year, if they have the burden of this red tape and of this paperwork and if they're a small organization and there are volunteers and if the supports around them are small, to have the ability to be able to do that. That's on their annual filing. Just something to consider.

Also, I think we need a little bit more clarity. There are a large number of lobbyists that are going to be having to register for the very first time. With the threshold being brought down from 100 to 50 hours, is their application and all of the work that they do to become a registered lobbyist part of that 50 hours that they have to use up? Is that part of the 50 hours in their lobbying allocation? I think this is an important piece of clarification that needs to happen.

There was one other thing I wanted to chat about, too, the piece where it talks about communications to smaller organizations. How is the government planning to roll out the legislation? This is just about what I was talking about. You've got a whole bunch of new groups that are going to be coming in, a whole bunch of new, small organizations that are going to be under the umbrella of this new Lobbyists Act. I'd like to understand some clarity on how the government is going to roll out this legislation with so many new organizations that fall under this act now.

The other piece, Minister, through the Speaker, is: how are we going to be able to make sure that these small groups know what they're supposed to do? I mean, they're all of a sudden supposed to decipher and understand these new regulations.

Thank you.

The Deputy Speaker: Any other members wishing to speak to the bill?

Seeing none, the hon. Minister of Labour to close debate.

Ms Gray: Thank you very much, Madam Speaker. Thank you very much to all who spoke to this bill. As I close debate, I hope to elicit the support of all members of this House for this important piece of legislation by answering some of the final questions that were asked. I think the most important thing to state right off the bat is that this does not apply to nonprofits. If you are not paid as a contractor or if you are not employed to do whatever lobbying activity you are engaging in, this does not apply to you. If you are a group of parents or a support network or volunteers and you get together to advocate for a cause, you are not lobbyists because you are not paid to be lobbyists, and therefore this act does not apply to you.

That being said, Madam Speaker, I want to make clear that registering as a lobbyist is not an onerous task. It's a very simple form with minimal information required. It is not a burden or a barrier to an organization. But there has been some concern from organizations like the Alberta Chambers of Commerce who don't want to see having to register as a lobbyist preventing people from engaging in conversations with government, and we agree. I was very pleased to sit down with the chair of the Alberta Chambers of Commerce and an example small chamber who has a paid staff, and we talked about the small amount of time that would be required to register and the fact that the Ethics Commissioner is there as a resource to help anyone who has questions about the application of this law, whether they themselves are lobbyists, how they fill out the forms. The Ethics Commissioner is a resource, so I would encourage anyone with concerns to be reaching out to the Ethics Commissioner, and that's exactly what a lot of these small groups will find help from.

The Ethics Commissioner is also going to be the one responsible for rolling out this information, updating the websites, communicating with groups and helping them. The Ethics Commissioner is there to assist organizations who may fall under that legislation. We will not, with this legislation, be stopping the flow of information. Rather, we're increasing transparency, and it's under the guise of increasing transparency that we chose to keep semiannual filings, because annual filings would reduce transparency.

Making sure that we continue to engage with people to do the job that, as MLAs, is so important to us is all about what this legislation is doing. Again, people who are not paid like contracted-out lobbyists are or people who are not paid lobbyists for their organizations will not be captured by this. We deliberately did not change who was captured by the Lobbyists Act, Madam Speaker. I really do want to be clear. The impact of this bill on everyday Albertans will be that they will have access to more information about who is paid to try to influence government.

With that being said, Madam Speaker, I hope I've answered the questions that were asked, and I would invite all members of this House to support this work that was done by a Legislative Assembly committee, where all members had time to hear presentations from the Ethics Commissioner and to discuss and debate these issues. I appreciate the work that they did and the recommendations that they made to government. I'm very pleased to close debate on the Lobbyists Amendment Act, 2018, which I know will make lobbying more transparent in Alberta while still making sure those important channels of communication remain open.

Thank you, Madam Speaker.

[Motion carried; Bill 11 read a third time]

The Deputy Speaker: The hon. Government House Leader.

Mr. Mason: Thank you very much, Madam Speaker. Well, wonderful progress tonight. A little later than we thought but good

results. I want to thank all members on both sides of the House for their contributions tonight.

I will move that the House adjourn until 9 o'clock tomorrow morning, Madam Speaker.

[Motion carried; the Assembly adjourned at 10:40 p.m.]

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