

## Legislative Assembly of Alberta

Title: **Wednesday, May 10, 1995**

**8:00 p.m.**

Date: 95/05/10

[Mr. Tannas in the Chair]

head: **Government Bills and Orders**  
head: **Committee of the Whole**

THE CHAIRMAN: I'd like to call the committee to order. We'll continue to abide by the custom of only one member standing and talking at the same time. For the hon. Member for Calgary-McCall and for the people in the gallery we will explain a little bit about the procedures while people find their seats and say their last farewells to people they're talking to.

This is committee stage of the Assembly. It is less formal, and as you can see, some people have already removed their jackets. You're allowed to have coffee, and you do not have to sit in the seat in which you are normally obliged to sit. The one rule that we have with regard to speaking – well, we've got several rules – is you must speak only at your place. So somebody who may wander over here and visit with a friend and decide to say something will be out of order if they try and speak somewhere else.

We also have a custom that only one member stands and speaks at the same time, which is always a challenge to the Chair because hon. members often have short-term memories in that regard, or they become engaged in lively but important conversations that are sometimes at cross purposes to the material that we have at hand.

Committee of the Whole will begin once we have everyone sitting down.

### Bill 27 Livestock and Livestock Products Amendment Act, 1995

THE CHAIRMAN: Again, for those in the gallery the principle of the Bill has already been debated in the formal session of Assembly. We're now going through the particulars, and people can speak a number of times. The first person this evening is invited to speak and make comments, suggestions, amendments, and that will be the Minister of Agriculture, Food and Rural Development.

The hon. minister.

MR. PASZKOWSKI: Thank you, Mr. Chairman. I'd like to move Bill 27, the Livestock and Livestock Products Amendment Act, 1995.

As was mentioned in second reading, this is a wish of the industry. The industry has asked in written form that this piece of legislation be brought forward. We have total support of all the players in the industry, and therefore I'd like to move Bill 27.

THE CHAIRMAN: Any further questions?

The hon. Member for Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Chairman. I don't have a lot of questions on this, but I did want to ask a question, not, I must confess, because of any experience that I've had, rather from what I've picked up through my father-in-law, who is actively involved in this particular industry. As I understand from speaking on the Bill with the Member for Lethbridge-East, what this Bill proposes to do is to change the risk factor, if you will, from the seller to

the purchaser of the animal or animals in question. In many instances, of course, there's often a time lag between when the financial transaction takes place and the animal or animals in question are actually physically relocated from one area to the other.

I guess my question to the minister would be: what kind of protection is there for the purchaser who bids on an animal, secures a price, and says, "Yes, I agree to pay X dollars for an animal," sees an animal in a certain degree of physical condition, and the animal that he purchases perhaps on a Monday is substantially different from the animal he finally gets on, say, the Thursday? I'm sure that the minister has seen this occur where an animal can lose condition very, very quickly for a variety of reasons. I'm wondering what kind of protection there would be in case an animal does become ill along the way. The purchaser has accepted a risk, said, "Yes, I want to buy this animal," for whatever purposes, but something happens along the way. I'm wondering what protection there is in that kind of a situation.

MR. PASZKOWSKI: As far as protection is concerned, there is no difference in what the situation is today. When you buy something, that's yours. It's a change of ownership, and you become the new owner of the animal. The basic recommendation is that when you buy the animal, pick it up, take it home, and look after it yourself. Don't leave it in a third party's hands or whatever the responsibilities are that you're going to leave as far as the animal is concerned.

As far as protection is concerned, what this Bill is basically doing is protecting the producer of that animal. That's the ultimate objective. As things stand today, we do have the patron's assurance fund, which indeed looks after the patrons. Now, the patrons are both the buyers and the sellers. They are covered up to 80 percent. What we're doing here now is providing 100 percent assurance for the producer of the animal, that he will be covered for 100 percent of the price of that animal.

[The clauses of Bill 27 agreed to]

[Title and preamble agreed to]

THE CHAIRMAN: Shall the Bill be reported? Are you agreed?

SOME HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed?

SOME HON. MEMBERS: No.

THE CHAIRMAN: Carried.

### Bill 32 Municipal Government Amendment Act, 1995

THE CHAIRMAN: For comments, questions, or amendments we'll call on the hon. Member for Calgary-North Hill.

MR. MAGNUS: Thank you very much, Mr. Chairman. It is indeed a privilege and an honour for me to be able to begin the debate in Committee of the Whole on Bill 32, the Municipal Government Amendment Act, 1995.

An interesting side view on this, Mr. Chairman, is that exactly one year ago today at this same hour this Assembly was here and debating within Committee of the Whole the main Bill, the new Municipal Government Act that came out one year ago. The new

MGA was brought forward by the hon. Member for Lacombe-Stettler with a very intelligent, methodical, and clean way of bringing a Bill through this House. Considering that the Bill is 264 pages long, that truly was an amazing feat.

Within the new amendment Act, Bill 32 that's before us tonight, it again is . . .

### Chairman's Ruling Decorum

THE CHAIRMAN: Hon. members, you're beginning to drown out the speaker, who has a relatively loud voice. We all are aware of the frailty of the Chairman's ears in hearing, and I would beg your indulgence so that at least the Chair as well as *Hansard* might hear the hon. Member for Calgary-North Hill.

### Debate Continued

MR. MAGNUS: Thank you again, Mr. Chairman. This new amendment Act is 120 pages long, and I think it fairly evenly tells us that the government has listened and that we are responding to the concerns that various municipalities and the municipality associations have brought forward over the last year.

This Bill, much like the new Act brought forward a year ago, which consolidated 21 Acts, consolidates a number of Acts as well: the County Act, the Planning Act, the Municipal and School Administration Act as examples. The consultation that has gone on within this Act has been extensive. The Member for Bonnyville within second reading talked about the fact that this Bill had been before the various communities throughout this fine province – I believe his term was – since the mid-80s. A number of members from the other side and our members have indeed acknowledged that in their debate on second reading.

There is a letter that I would like just very briefly to read a paragraph or two from that was sent to me by the city of Calgary over a week ago now, actually seven days ago tonight. If I may, Mr. Chairman, I'd just like to read you a paragraph or two out of it from the city of Calgary's viewpoint on the consultation that has taken place within the Municipal Government Amendment Act, 1995.

The City of Calgary has reviewed the Municipal Government Amendment Act, and we note with gratitude that many of Calgary's requested amendments to the new MGA have been incorporated through Bill 32. These changes will go a long way towards facilitating the administration of municipal government, and addressing many potential problems.

Calgary City Council and the Administration would like to acknowledge the assistance and cooperation of Municipal Affairs Department staff in consulting with The City on these amendments.

The last paragraph in the letter is fairly self-explanatory.

Once again, on behalf of The City of Calgary, may I extend my thanks to you and your staff for consulting with us and giving serious consideration to our comments.

Mr. Chairman, the whole purpose behind this Act coming forward last year and indeed the amendment Act that we've got before us tonight is to provide communities throughout our province with the flexibility, the autonomy, if you like, to be able to run their own show. Looking across the way in the opposition ranks, I know that we have an ex-mayor from the city of Edmonton. We certainly have an ex-mayor from the city of Calgary, and a number of other hon. members were very, very involved within municipal government within the elected civil level. Civic government has told us what they wanted, and again that consultation goes back to the mid-80s on this Act, and they've had a great say in what is before us today.

### 8:10

I would like to thank the opposition members for their thoughtful and generous debate on second reading of this Act the other night. I believe that was Monday night, although it feels like we've been here about a hundred years. I'm thinking that we've only been here two, but it's feeling close to a hundred at this point, Mr. Chairman.

I would also like to thank the civic governments and the leaders within those governments for their co-operation, their thoughtfulness when they were going through various amendments and talking about various issues within the Bill and the co-operation that we saw from those municipal governments. Everybody did not get exactly what they wanted, but we worked very hard with the municipalities to try and again listen to their concerns and respond to them appropriately.

One other person that I must thank, Mr. Chairman, is the Minister of Municipal Affairs. I have to thank him on the basis that I'm pleased that he had the confidence to allow me, obviously because of my interest within the Municipal Government Act, to bring this Act forward over the last couple of days.

I'll close this debate, Mr. Chairman, by paraphrasing the Member for Little Bow, his wrap-up comments on second reading. What he said was that this is legislation that effectively puts the destiny and well-being of each municipality in the hands of the people who have the most at stake.

With that, Mr. Chairman, I would like to move a government amendment to Bill 32. I believe it's been distributed to all members of the House, and the Table should have a copy.

THE CHAIRMAN: We'll call this amendment to our Bill 32 amendment A1. All members now have received a copy, and we'd invite the hon. Member for Calgary-North Hill to move his amendment and explain.

MR. MAGNUS: Thank you, Mr. Chairman. I will move the amendment again; you might have missed it the first time.

What this amendment basically says is self-explanatory. It goes to 671(4)(b) and takes out the comment "for the purchase of land to be used." This is a direct response to municipalities' request to us. They would like effectively to use those moneys in other ways, and within 671(2) it describes the various ways that this may be used. It is an amendment that the municipalities have requested.

Thank you, Mr. Chairman.

THE CHAIRMAN: Okay.

The hon. Member for St. Albert on amendment A1.

MR. BRACKO: Yes, Mr. Chairman. This has been a concern to municipalities that the money would have to go to be used to buy other land, and they wanted this amendment made. So we support the amendment.

[Motion on amendment A1 carried]

THE CHAIRMAN: The hon. Member for St. Albert.

MR. BRACKO: Thank you, Mr. Chairman. Speaking to Bill 32, I want to go over it, make a few points, and then we want to propose several amendments. First of all, section 52 of the MGA: that members of the business revitalization boards can be sued by taxpayers within the business revitalization zone and not

all taxpayers within the municipality, as is the case prior to this amendment coming into force. Our concern here is that the amendment does not address the concern that volunteers may be driven away from this type of board because they may be sued.

THE CHAIRMAN: The hon. Member for Calgary-North Hill is rising on a point of order?

**Point of Order  
Clarification**

MR. MAGNUS: Well, it's more for clarification. Is the hon. member handing out this amendment? I haven't got one in front of me.

THE CHAIRMAN: The hon. member will be handing out an amendment. This is the one that's moved by the hon. Member for Calgary-North West?

MR. BRACKO: I'm speaking to the Bill first.

THE CHAIRMAN: You are going to make an amendment, and you're going to provide copies for members?

MR. BRACKO: That's correct, but I'm speaking generally to different sections of it.

THE CHAIRMAN: Well, as long as you're speaking to the Bill, that's okay. When you make your amendment . . .

MR. BRACKO: And for clarification: questions that we have, concerns that have been brought to us by municipalities across the province as we consulted with them.

**Debate Continued**

MR. BRACKO: I guess the concern here is volunteers. How is this addressed? Volunteers are the backbone of our communities. They are the ones that improve the quality of life. They want to get involved. They want to take part, but if they know they're going to be sued for taking part, they may not volunteer their services as easily. My question, then, is to the Member for Calgary-North Hill. What has been done to protect the volunteers who get in this type of situation?

Again, section 50, that deals with the Alberta school foundation funds: this clarifies how school requisitions are applied to various property taxes as the government moves to a uniform mill rate. The concern is that while a uniform mill rate seems fair on the surface, it assumes equal property value. A family with a 1,500 square foot house in Edmonton will pay more than it would for the same house in Wetaskiwin. Although the mill rate will be the same, property values which govern the tax bill will vary. We question whether so much of the funding for education should come from property taxes. It would seem to be an unfairness where the market value is high compared to where the market value is low, with the education part of that. We have a concern that it's not fairly done. The property tax is one thing, but the education tax is another concern.

Section 362 of the MGA outlines the type of properties that are exempt from taxation. This list of property included has been clarified and expanded, and we do want to commend the government on making these changes to clarify which properties this accounts for. This was greatly appreciated by all the municipalities.

Section 364 of the MGA gives the power to a municipality to exempt certain properties from taxation through a bylaw. This amendment would allow municipalities to exempt from taxation the M and E, if they choose. This is again a step forward, and I want to commend the government on this. I think Medicine Hat is already starting to pursue this. [interjection] Sorry. Great to have you here. I've only got another hour to go, so please stay. [interjections]

**Chairman's Ruling  
Decorum**

THE CHAIRMAN: Order. Order, hon. members. We're having a bit of a problem in that the sound system doesn't appear to be adequate so that the Member for Calgary-North Hill, who is sponsoring this Bill, is able to hear the comments and criticisms and even amendments of other members. So those who wish to engage in lively discussion, please get the approval of your Whip to go out to the lounges and so engage.

St. Albert.

8:20

**Debate Continued**

MR. BRACKO: Thank you, Mr. Chairman. Section 425 of the MGA gives municipalities the right to dispose of a parcel of land which comes into their possession. The amendment would allow the minister to cancel tax arrears on any land owned by the municipality. I guess my question is: under what circumstances would this be done? Is this polluted land? Suppose a service station's been there, and the municipality gets it because of tax arrears if the service station's gone bankrupt. What is the purpose, and what would be an example of how this would occur?

Next, section 602.01 to 602.09. This deals with the regional services commission and outlines the power it has. It gives powers to the minister to appoint directors of the commission and approve bylaws passed by the commission. Our concern is that this allows the minister to appoint the first board of directors and the chairman. We're not sure why this is the case. You would think it's the municipalities that are involved in the membership. Why are they not approving the membership, appointing people to it and having the minister approve - not appoint; approve - the choosing of these members of the commissions? This is becoming very important as several municipalities or a number, two or three, maybe get together to form these commissions, maybe a larger number. So we'd like clarification on that.

Next, section 602.35 to 602.4. This section outlines the extensive powers which are given to the minister to conduct inspections of the commission as well as powers to dismiss directors from the commission if the minister feels it's necessary. In 602.36 there's no requirement that a reason or just cause is needed prior to dismissing a person or shutting down a commission. Forced dismissals from the board by the minister should occur only if a violation of the Act takes place, not at his whim or political expediency or whatever else. If there are reasons for dismissal, they should be clearly outlined, not left to the regulations or the whim of the minister.

Next, section 632(1) says that "a municipality with a population of 3500 or more must . . . adopt a . . . development plan." I guess just a very simple question: how did they arrive at 3,500, not 4,000, 5,000, or 2,000? Just a clarification.

The environmental issues will be discussed as we produce the amendments. Section 648 was identified as a concern for some municipalities. Some say they wanted a wider range of levies so they could charge the developers when a piece of land is subdi-

vided or redeveloped. They wanted the freedom to do that. That is a concern. Sections 661 to 670, for environmental reserves, for environmental protection: we have some concerns there that it's too narrow, too specific. There should be more freedom to allow the municipalities to decide what should be included in this. Section 664(1)(a) refers to swamps.

#### **Chairman's Ruling Clarification**

THE CHAIRMAN: Hon. member, the Chair is having some difficulty following your numbering system. Right now the Bill has sections that amend sections that are not necessarily the same as that number. So when you're saying section, say, 602, which part are you talking about? There are two numbers. One is that in this Bill which amends another larger Bill. So the question is: which section are you naming?

MR. BRACKO: Bill 32.

THE CHAIRMAN: Bill 32. Okay. It may help if you would also name the page, because your numbers, what I'm able to flip to, are sometimes at variance.

#### **Debate Continued**

MR. BRACKO: Okay. Next is 671(4)(b), and we'll get the page number here in a minute. Page 83. Actually, we did make the amendment on that one, so that one is okay.

Section 678, page 86, gives the right to have a decision of a subdivision authority appealed. However, it's not clear that a person whose land is adjacent to this parcel of land in question could bring forth an appeal. This has been taken out of the old Act. It's a very important part of it, and we will be looking at an amendment for this part.

With that, I will turn it over to my colleague to make a few comments.

#### **Chairman's Ruling Speaking Order**

THE CHAIRMAN: Hon. member, I've explained to members in committee and in Assembly: this is not football; you cannot hand off to somebody. If you wish to sit down, you may do so. Then in normal debate we go back and forth, and if there's no one on the other side who wishes to speak, I will take the person, the hon. member that you have attempted to hand off to. But you can't hand off in that way. So if there's no further . . .

MR. BRACKO: I stand corrected. Thank you.

THE CHAIRMAN: No. That's okay. It's just that others have tried to do the same.

#### **Debate Continued**

THE CHAIRMAN: The hon. Member for Bonnyville.

MR. VASSEUR: Thank you, Mr. Chairman. I don't want to repeat all the comments that I made yesterday on this issue, but I do want to bring up a few areas of concern. This doesn't address any of the amendments that we would like to propose, but I do want to reiterate some of the issues that we brought forward yesterday.

True, there's been a consultation process that has existed for a number of years on the MGA, and true, there is substantial

support out there and a lot of the things that have been brought forward have been addressed in the proposed legislation. I do believe that in the consultation process, even though there's a lot of support in principle, there are a few issues that have been overlooked and that maybe, besides being specific items that we can propose amendments to, we leave the doors open to be able to readdress and revisit these issues in the future.

The one issue that I want to bring back that I briefly talked about yesterday is the issue of market value assessment. We understand that within a year or two this is going to be a reality. If we check the Act – and, Mr. Chairman, you wanted us to refer to the page – on page 10, which is section 286 of the Act that came into place last fall, it specifically says, "This section expires on December 31, 1997." So the fact that in the Act last year there was provision to adopt assessments that were prepared in previous years and go forward with them – if the municipalities didn't have the time to adapt to the changes as fast as the department wanted to, there was that provision to be able to do this. Now the Act is very specific that this expires at the end of 1997. I think that's going to be a considerable hardship for some of the communities that will not be able to complete the change to market value assessment in such short order.

AN HON. MEMBER: Is this on Bill 212?

**8:30**

MR. VASSEUR: This is on Bill 32.

The other issue about market value assessment that I want to bring forward again – and I think that maybe we didn't have a chance to look at that seriously – is if we have a hot spot in the province where the property values increase considerably. An example I'll use is the city of Grande Prairie. The taxes under a fair market value, when it comes to the municipal portion of the tax, will not be affected because the measuring stick is reflected in the mill rate, and that's not the problem. The problem is in the equalized assessment across the province. Those particular communities that have high value in the property in two, three years could access a lot more money for educational purposes than the neighbouring communities. That could be a problem that the department may want to address in the future.

The other issue – and very briefly I talked about it yesterday – is the delivery of planning to the small communities. In consultation and in talking to the people recently about this issue, the delivery of planning in the small communities is going to be very, very difficult. We know that in the Act under section 625 and 626 the provision is there for the council of the day to enter into an agreement with other municipalities to have that service provided. We know that they can create a regional body or authority to provide the service. They can even enter into a contract with the department under a fee for service, which is going to be considerably higher than it was before. A small community of 300, 400 people really does not have all that much access to funding anymore. The very reason for existing as a small community in a lot of cases depended on a lot of the funding that was provided through Municipal Affairs. We all know what the cuts have done to Municipal Affairs. It will be a lot easier for the larger communities to adapt to those changes and those cuts, but for the small communities, it could very well jeopardize the existence of those communities.

If we take, for example, just the cost of a building permit. If you're going to provide the services of the safety codes with the building permit and if you're going to ask the builder or the homeowner to pay for all the services that are required on a cost

recovery basis, the building permit on an average sized home could easily be \$1,000 or \$1,200. Now, I would imagine that in a community of 4,000 or 5,000 people they would probably incorporate some of those costs through general taxation, because I don't see them being able to recoup all the costs of development and the issuing of permits with all the inspections that are required vis-à-vis electrical inspections, plumbing, and on and on that have become the responsibility of the municipalities. So I caution the department in that area that the very existence of some of the small communities as municipal jurisdictions is probably in jeopardy with having to take full financial responsibility for their own planning.

The other issue that I had touched on, I believe on Monday, was the issue of reserve dedication. The concern there is not the 10 percent that is usually requested from the developer. That really hasn't changed from the old Act. The provisions are in the Act for 10 percent dedication or money in lieu of. The problem in this instance is that the small urban communities are the centres for rural Alberta. They're the centres where the schools have to be built, the hospitals, and on and on and on. Yet the requirement from those communities for school sites has to come from the 10 percent dedication. Unfortunately, what has happened in many instances is that the 10 percent dedication of land is not enough to provide the school sites and the recreation facilities and the park requirements that the community needs. In many instances the 10 percent has been required for the school site leaving the community, having to go out and acquire land to provide park areas and buy land to provide sites for swimming pools or whatever.

The issue that should have been addressed in the Act is that the small urban communities, the towns of 2,000, 6,000, whatever, should have had the ability to requisition from the rural area or at least address in the Act that the 10 percent dedication that the rural municipalities have – in many instances that land is never used for municipal purposes. In many instances that land is sold off. Yes, in the Act the money is supposed to be used for those purposes, but I know and you know that on many occasions that money has gone to general revenue instead of to the reserve fund for that specific purpose, and the expenditures were accordingly.

Now, what should happen with that money? That 10 percent in-lieu-of that comes in moneys should be allocated – if they don't want to make an agreement with the neighbouring municipality, it at least should go into the education fund so that they have the financial ability to buy the land to be able to provide the schools. It has been a problem not only where I'm from but in many communities across the province, and that's an issue that should be addressed.

One other issue that I have here again is a constituent issue. In asking the people in my constituency what they thought of the new Act, the answer was: we haven't had time to look at it. They've had a lot of time to be part of the consultation process. I'm not saying that they haven't had time to do that, but to see this particular document in detail, to have the time to peruse it and to find the issues that I have identified, they're telling us: we haven't even opened the cover of it. So their only request is: could we have some time to look at it before we can get back to the department or to yourself?

With those comments, Mr. Chairman, I will end my portion of it. Thank you.

**THE CHAIRMAN:** By way of explanation to people who are in the gallery, before I recognize Calgary-North West, I'd just say that if you're busy looking at your sheets and trying to make any

sense out of the seating arrangements that are occurring now, please be aware that this is the informal session of the Legislature. It's not the Assembly. It's called committee. Members are able to move about, and as you can see, they exercise that right rather freely. If you're trying to pin somebody down in their seat, you can be assured that this is indeed Calgary-North West; otherwise, he wouldn't get recognized to speak. The people that you're trying to locate there and are down here are honoured as much in the breach as they are in the keeping.

With that reminder, we'll ask Calgary-North West.

#### 8:40

**MR. BRUSEKER:** Thank you, Mr. Chairman. I did want to continue on with a few questions in particular, and then I have an amendment that is going to be circulated right away to a particular section that I will be speaking to in just a moment.

A couple of questions, Mr. Chairman, to the sponsor of the Bill, the Member for Calgary-North Hill. In particular, I might draw the member's attention to page 64, section 643(2), that deals with nonconforming use of land or buildings. I'm certain that given his past experience as a municipal councillor in the city of Calgary, an issue that was of concern there was the issue of nonconforming suites, particularly basement suites in different property.

Now, the question that I have with respect to this section: does this section of the proposed Bill 32 allow nonconforming suites to continue? I'm concerned that it may allow for a proliferation of such occurrences, because it says it "may" continue. I guess the issue is: how does one know and how would a municipality know when such a use began? It talks about a use continuing, but if it's "discontinued for a period of 6 . . . months or more, any future use . . . must conform with the land use bylaw then in effect." So it seems to me that enforcement becomes a problem with this one. [interjection] No? So just a question in that regard for the member. Okay.

One area I did raise during second reading stage was a question that I posed to the hon. member. It deals with approval of an application, and this is looking at the very top of page 73. The very top of page 73 talks about:

A subdivision authority may approve an application for subdivision approval even though the proposed subdivision does not comply with the land use bylaw if, in its opinion . . .

and so on. Now, that was a question, certainly, that I raised in second reading, and it seems to me that that would be a place where you could possibly run into some difficulty. I just want to remind the member that that was a question I raised earlier on and hope that he could address it sometime this evening on that particular phrase.

Mr. Chairman, I'd like to continue on. I've got a couple of other sections that I want to refer to before I get to the amendment. I might draw the member's attention to page 98. Page 98 talks about once again: "The Lieutenant Governor in Council may make regulations," but I want to in particular look at section (a) that talks about "establishing international airport vicinity protection areas," otherwise known as AVPAs. Now, I know that in the city of Calgary there is an airport vicinity protection area. It was proposed by the chap who's now the mayor, His Worship Al Duerr. He was a planning officer at the time.

My concern with this one section is that I don't see any reference to consultation. Of course, we've seen it all around the world: an airport gets developed, homes get built up close to it, and then of course the people who own the homes complain about the noise of the aircraft. Well, of course, the airport was there first, the aircraft were there first, and then the homes came along.

My concern is that there's no mechanism for or no reference to consultation occurring in here. I would like to hope that before any changes were made to an AVPA, particularly in Calgary – and I'm pleased, I must say, Mr. Chairman, that the sponsor of the Bill is, number one, a Calgary member; number two, a former air traffic controller himself; and number three, a former municipal councillor. So he knows with three degrees of sensitivity how important an issue this is to Calgary in particular. Being a Calgary MLA myself, I certainly want to ensure the longevity and health of our airport in Calgary. So just a question in that regard with respect to the whole issue of consultation.

On the very next page, Mr. Chairman, again there is a long section that deals with the issue of regulations, and I guess just a quick question is: where are the regulations? It certainly would be nice to see some draft regulations. I know that I've put that request forward before on other pieces of legislation. I'm putting it forward again this evening on this piece of legislation. What we have here is kind of half of the package, if you will. We've got the legislative half of the package here today, but what we need is the regulatory half of the package. I would have to think once again that somewhere along the line there's got to be some draft regulations that exist somewhere, and it sure would be nice to see them, either from the member or from the minister or somebody, before we pass this Bill. So yet another plea for regulations in some form before we get on to that.

I did raise a question again with respect to page 105, that does propose an amendment to the School Act. It seems somewhat peculiar to me that we would be amending a School Act in an Act to amend the Municipal Government Act. I'm wondering why it is that that would be included in this particular Bill.

Now, those were the particular points that I wanted to address sort of in a general sense, Mr. Chairman. I do have an amendment that I believe has now been distributed to all members. It is numbered 2, and it is an amendment that proposes to strike out sections 28 and 29.

**THE CHAIRMAN:** Members of the committee will note that this amendment by the hon. Member for Calgary-North West, striking out sections 28 and 29, will be referred to as amendment A2. All members have it?

Calgary-North West.

**MR. BRUSEKER:** Thank you, Mr. Chairman. The purpose of the amendment, in striking out sections 28 and 29, just needs a little bit of explanation. What sections 28 and 29 will do, if they are passed as they currently are drafted in Bill 32, is prevent citizens from striking a petition to force a plebiscite with respect to a decision that their council has made, a municipal council or a city council.

In fact, what I guess drives this to a certain extent is an issue that is actually located in the constituency of Olds-Didsbury. Recently the MD of Rocky View agreed to yet another gravel pit in the MD of Rocky View that is literally, Mr. Chairman, a stone's throw away from gravel pits located in my constituency. There are already four gravel pits in the area with a 50-year life span of supply of gravel. Two more have been proposed that are just across the city limits in the constituency of the Member for Olds-Didsbury and again would add more gravel, a longer supply of gravel to the existing supply.

Now, I've spoken with a good number of the residents, as I know the Member for Olds-Didsbury has, on this particular issue, and many of the people that live in this area are enraged, I guess

would be the best way to describe it, about yet another encroachment of machinery, truck traffic, dust, and noise that will impact on them directly. So the residents of the Bears paw area are now looking at the possibility of a plebiscite through a petition. If Bill 32 is passed with section 28 and 29 in it as it currently exists, that will prevent any plebiscites being driven by a petition that would have any impact on section 17 of this Bill.

Now, section 17 of this Bill, Mr. Chairman, is all of that section from page 44 onward, the entire section of planning and development, including land use bylaws. So if we look at the long list of definitions, we have development, we have land use policies . . .

**THE CHAIRMAN:** Hon. members, we appear to have four or five people standing, not all talking but many are laughing, and in any event engaged in some audible exercise. I wonder if we could just . . .

While we're at it, I wonder if the hon. members will permit us to revert to Introduction of Guests. All those in favour, please say aye.

**HON. MEMBERS:** Aye.

**THE CHAIRMAN:** Opposed? Carried.

The hon. Provincial Treasurer.

head:

### Introduction of Guests

**MR. DINNING:** I rise in the Assembly this evening because we are being watched. In fact, we are probably being audited, ladies and gentlemen, Mr. Chairman, and we are being audited, I fear, by the Auditor General, who is Alberta's newest insomniac. He's here this evening to watch us. I'd ask him to rise and receive the warm welcome of the committee.

**THE CHAIRMAN:** With that, we'll call on Calgary-North West to continue.

head:

### Government Bills and Orders

head:

#### Committee of the Whole

8:50

#### Bill 32

#### Municipal Government Amendment Act, 1995

(continued)

**MR. BRUSEKER:** Thank you, Mr. Chairman. The concern that I have is that if we leave sections 28 and 29 in as the Bill is currently drafted – and that is why I introduced the amendment. If we take away the right of citizens to have a petition to cause a plebiscite, then we are eliminating the choices that constituents have, that residents will have in an area if a decision is made for them by their council with which they disagree. In this case we have a group of people who live in a fairly tight cluster of small acreage lots in the Bears paw area, which, as I said, is by and large in the constituency of Olds-Didsbury, who are concerned about a decision that has been made by the council for the MD of Rocky View. If we leave sections 28 and 29 in the Act as they are written, what it would do – section 28 refers to any "bylaw or resolution under Part 17." In other words, if we are looking for a petition that would affect something that was created under section 17 . . .

**AN HON. MEMBER:** Part 17.

**MR. BRUSEKER:** Part 17. Sorry, part 17, thank you.

. . . then anything with respect to land use bylaw, land use policies, et cetera, would not be permitted. Similarly, in section 29 it proposes to add that "a petition requesting an amendment or repeal of a bylaw or resolution made under Part 9, 10 or 17," which is all of the planning, "has no effect." So the petition, then, that constituents put together would have no effect. That's what the new section would say.

I believe, Mr. Chairman, that would be fundamentally undemocratic, and by leaving sections 28 and 29 in, we would be denying constituents, in whatever constituency around the province, a legitimate avenue to express their concerns. For that reason, I have proposed that those two sections be removed. By removing sections 28 and 29, that would allow constituents in an area to have a petition to put to their council to review a decision that has been made.

Thank you, Mr. Chairman.

THE CHAIRMAN: Any further discussion on the amendment A2?

MR. MAGNUS: Mr. Chairman, I have to apologize to the hon. member opposite. There was an awful lot of that conversation that was very difficult to understand and hear, frankly. The explanation on it was long, and it is fairly complicated. Looking at this at this point in time, sections 28 and 29 – frankly, to the hon. member, I thought we were talking about 27 and 28, sufficiency of petition, for a good chunk of his debate there. Looking at this, to the hon. Member for Calgary-North West, it talks about a bylaw or resolution under part 17 having been advertised, and he talked about this being within the Planning Act, as I understand it. Now that we've got some quiet here, perhaps if the member could maybe go through these just a little bit more, I could maybe get a real good, firm understanding of exactly what we're talking about here.

THE CHAIRMAN: Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Chairman. I appreciate that from the Member for Calgary-North Hill. As I read the Bill as it currently exists, if we left sections 28 and 29 in, it would deny any petition that was put forward asking for a plebiscite that dealt with any matter under part 17, which is planning and development. By leaving those two pieces out, those petitions would be legitimate and could come forward. That's what my amendment proposes to do, to leave the constituents that avenue of approach.

MR. MAGNUS: I'd like to thank the hon. member . . .

THE CHAIRMAN: Calgary-North Hill wishes to speak?

MR. MAGNUS: Sorry, Mr. Chairman. I'd like to thank the hon. member for his comments on that. Basically what he's asking for is that they be allowed to petition within the Planning Act.

Mr. Chairman, that has been discussed by municipalities for some period of time, since the new Act came out this time last year. The way I understand that from the municipalities is that they simply did not want that in there. They would be swamped at a certain point in time within the system with petitions on virtually every subdivision, every, every development permit, everything that came forward, and it would clog the system to the nth degree. I'm assuming that I'm understanding what the member's amendment is at this point in time, and that is as close

as I can come, to the hon. member, to the answer. We would end up with a very, very plugged up system. As I understand it, I would have to say that my recommendation would be that we deny this amendment.

MR. BRUSEKER: Well, just in response to that, I guess what it would require, then, is a considerable degree of accountability on behalf of the municipal council to ensure that the decisions that were being made were those that reflected the wishes of the people in the area. I guess I differ with the member that the system would become plugged. If the decisions are right, presumably there won't be any appeals. I'm sure that with the experience he has and the many good decisions he has made that wouldn't be a problem. With respect, I understand his point of view with respect to the municipal council side. What I'm putting forward is the point of view from the other side: the constituents themselves.

[Motion on amendment A2 lost]

THE CHAIRMAN: The hon. Member for St. Albert.

MR. BRACKO: Thank you, Mr. Chairman. I'm going to move another amendment, amendment 3. It is on page 30 of section 86, section 602.04(2): by striking out "Minister" and substituting "member municipalities."

THE CHAIRMAN: Just determining, hon. Member for St. Albert, that these are being passed out, first to those who are sitting and then to the empty seats after.

We have, then, the amendment as moved by the hon. Member for St. Albert, which will be called A3. As the hon. member has indicated, this amends Bill 32 in section 86, section 602.04(2). We'll just take a moment, and then we will entertain the . . . Most hon. members now have received a copy of amendment A3.

We'd invite the hon. Member for St. Albert to explain his reasons.

MR. BRACKO: Thank you, Mr. Chairman. The province has handed down powers to municipalities. The municipalities are now taking over a lot of the responsibilities that were either shared or maybe provided by the province in the past. The patriarchal situation is being eliminated of the provincial government, and these municipalities will be forming commissions, municipal agencies, and so on.

In this section that we're amending, it has the minister appointing members to these commissions. What should happen is that the member should decide who is appointed to these commissions, who is involved. They have to be responsible back to the municipalities. Therefore, we feel it's important that the municipalities determine this membership and the minister approves it, not makes the appointments. For this reason we are moving this amendment.

9:00

THE CHAIRMAN: Okay.

The hon. Member for Bonnyville on amendment A3.

MR. VASSEUR: Yes, on the amendment, Mr. Chairman. The whole thrust of the amendments to the MGA here is to give the municipalities local autonomy. This through consultation was the big issue: let us make our own decisions. I fully, fully support the amendment, because here we authorize the minister to make the appointments, and I really honestly believe that the municipali-

ties should be doing that. If we're listening to the people out there saying, "We want local autonomy," by all means the department should really look at this issue, and the members of the government should support this amendment.

THE CHAIRMAN: The hon. Member for Clover Bar-Fort Saskatchewan.

MRS. ABDURAHMAN: Yes, Mr. Chairman. I wish to rise to speak also in favour of this amendment. I believe that it's actually contrary to the principle of this Bill, which is ensuring that we have greater local autonomy at the municipal level. In fact, in some instances I find there are some contradictions to that principle. I also see some similarities in this section without the amendment to indeed the regional health authorities and the same reality when it comes to school jurisdictions. The reality was that people were democratically elected, yet there were certain elected officials excluded through the regionalization of education. I certainly do not support where once again we see the government of the day having the ability to appoint in this very important area. I firmly believe that the local level is the place that the people should be clearly identified to be members of this commission. So I would urge members to support this amendment.

Thank you, Mr. Chairman.

MR. MAGNUS: Mr. Chairman, perhaps I can save us a little bit of time. What this portion of the Act talks about is that the original commission has to be appointed by someone – in this case, the Minister of Municipal Affairs is the appropriate person – because it doesn't exist at this point. You'll note that within the Act itself any future members of the commission are appointed by the commission. Somebody has to appoint the first one.

MR. VAN BINSBERGEN: Mr. Chairman, I don't think there's any quarrel with the cabinet through the Lieutenant Governor in Council establishing a commission, but what this amendment speaks to specifically is 602.04(2), which is "the Minister must appoint the first board of directors . . . and designate one of the directors as the chair." That is the one that we don't quite understand and this amendment would replace. The way it reads, I would like to make the argument that democratically speaking this ought to be left up to the local people. In fact, I would go so far as to say that this is an insult, the way it's written here.

THE CHAIRMAN: The hon. Member for Clover Bar-Fort Saskatchewan.

MRS. ABDURAHMAN: Yes. In reply to the mover of this Bill, I would suggest that just because you're establishing an entity – and I believe it's Calgary . . .

MR. MAGNUS: North Hill.

[Mr. Clegg in the Chair]

MRS. ABDURAHMAN: Thank you.

I would suggest that if it's the clear intent that the government is going to allow the future membership to the municipalities, I can't see why there's any difficulty in the establishment of this commission, that that in actual fact happens at this point in time. Like my colleagues I think it does a disservice to the local autonomy, to the municipalities, and it is a blow to democracy.

Why should a minister have that kind of ability to appoint who they want on this very important commission? So I don't accept the position that's being put forward on behalf of the government.

THE DEPUTY CHAIRMAN: The hon. Member for Bonnyville.

MR. VASSEUR: Thank you, Mr. Chairman. I don't agree at all with the Member for Calgary-North Hill on his explanation here. I don't see any difference between the appointment of these members to the new boards now or two years down the road. The new commissions may be very, very small. They may be a couple of municipalities; they may be four or five municipalities. What's wrong with letting those municipalities make the decision of who sits on those boards? I mean, we've done all these changes to the Act because we want to satisfy the people and we want to listen to their concerns. The whole thrust of many of the amendments in here was because we're listening to the people out there and we want to react to the issue of local autonomy. I think that this issue is a prime example of the government not listening to what the people have told you.

Thank you.

THE DEPUTY CHAIRMAN: The hon. Member for St. Albert.

MR. BRACKO: Thank you. I just want to conclude. We have seen the regional health authorities appointed, and they're not responsible to anybody it seems, not to the government or to the people there, and this is the same type of situation we want to eliminate by moving this amendment.

THE DEPUTY CHAIRMAN: All those in favour of amendment A3 as proposed by the hon. Member for St. Albert?

SOME HON. MEMBERS: Aye.

THE DEPUTY CHAIRMAN: Opposed, if any?

SOME HON. MEMBERS: No.

THE DEPUTY CHAIRMAN: The amendment is lost.

[Several members rose calling for a division. The division bell was rung at 9:07 p.m.]

[Ten minutes having elapsed, the Assembly divided]

For the motion:

Abdurahman	Dickson	Taylor, N.
Beniuk	Hanson	Van Binsbergen
Bracko	Leibovici	Vasseur
Bruseker	Percy	White
Decore	Sekulic	Zariwny

9:20

Against the motion:

Amery	Havelock	Pham
Black	Herard	Renner
Brassard	Hierath	Severtson
Calahasen	Hlady	Shariff
Collingwood	Jacques	Smith
Dinning	Jonson	Stelmach
Doerksen	Laing	Tannas
Evans	Magnus	Thurber

Fischer	Mar	Trynchy
Friedel	McClellan	West
Fritz	Oberg	Woloshyn
Gordon	Paszkowski	Yankowsky
Total:	For – 15	Against – 36

[Motion on amendment A3 lost]

THE DEPUTY CHAIRMAN: Could we have unanimous consent to revert to Introduction of Guests?

HON. MEMBERS: Agreed.

THE DEPUTY CHAIRMAN: Opposed, if any?  
The hon. Member for Edmonton-Mayfield.

head: **Introduction of Guests**  
(*reversion*)

MR. WHITE: Thank you, Mr. Chairman. I rise to introduce to you and through you to the members, my son, 14, Landon White. He's here to observe. He's in grade 8. He's checking out the behaviour here versus his grade 8 class, and he'll give me a full report when we get home tonight. Hopefully we can do reasonably well.

Thank you, kindly.

head: **Government Bills and Orders**  
head: **Committee of the Whole**

**Bill 32**  
**Municipal Government Amendment Act, 1995**  
(*continued*)

THE DEPUTY CHAIRMAN: The hon. Member for St. Albert.

MR. BRACKO: Thank you, Mr. Chairman.

MR. N. TAYLOR: A point of order.

**Point of Order**  
**Decorum**

MR. N. TAYLOR: Point of order from *Beauchesne*. You cannot vote unless you're sitting in your place. The hon. Minister of Energy was in the back row. Of course, she has a voice like a moose caller, and she voted in the last vote on the oral vote.

MRS. BLACK: Mr. Chairman, I believe if Parliamentary Counsel or the Clerk would check, I was standing at my chair when the vote was taken. Right here.

MR. N. TAYLOR: Mr. Chairman, I would not miss somebody dressed in Liberal red. I've been trained to salivate whenever I see Liberal red. I was drooling at her in the back row, and she yelled no.

THE DEPUTY CHAIRMAN: Order. Obviously . . .

MR. PASZKOWSKI: Nick, at your age drooling doesn't do you any good.

MR. N. TAYLOR: So much for passion.

THE DEPUTY CHAIRMAN: Well, hon. Member for Redwater, that's exactly what it was, a passion.

Obviously, when you do call a vote, not a standing vote but a vote on an amendment or any Bill, the Chairman or the Speaker, for that matter, doesn't look whether everybody is in their seats or not. When the actual vote is taken, you have to be in your seat. So it was a voice vote, and I didn't know where anybody – I'm sure there were many people in the Chamber here that were not in their seats. I don't know that, but it's okay, hon. member.

Now we'll go to the hon. Member for St. Albert.

#### Debate Continued

MR. BRACKO: Thank you, Mr. Chairman. Another amendment, number 4: moved that Bill 32 be amended in section 602.36(1) by adding the following after "circumstances": "provided that a violation of this Act or the regulations has occurred."

Speaking to the amendment, Mr. Chairman, we feel it's important that members of a commission or agency cannot be dismissed for any reason at all. There has to be a violation of the Act or regulations, something serious. Disagreement with the government should not be a reason for dismissal. We don't want it to be a political forum. It must follow due process of the law and there must be a violation.

With that, I conclude.

[Motion on amendment A4 lost]

THE DEPUTY CHAIRMAN: The hon. Member for St. Albert.

MR. BRACKO: I didn't say aye, Mr. Chairman.

Again I move an amendment, section 95 of Bill 32 in the original Bill and section 648 in this Bill: "by striking out subsection (2)." Again speaking to the amendment, it's important that with the powers handed to the municipalities, they should determine, or decide, where their levies go. It should not be determined in the Act by the provincial government how this levy is to be used. If they want to use it for one purpose or another, that should be at the discretion and wisdom of the municipality. So for that reason we want subsection (2) deleted.

[Motion on amendment A5 lost]

THE DEPUTY CHAIRMAN: The hon. Member for Sherwood Park.

MR. COLLINGWOOD: Thank you, Mr. Chairman. I'm pleased to join the debating Committee of the Whole this evening on Bill 32, Municipal Government Amendment Act. I want to just make a couple of remarks about some of the provisions of the Bill and propose an amendment. These amendments deal specifically with the inclusion of environmental matters in the process of planning under the Act.

Mr. Chairman, I will move the amendment momentarily, but in the meantime, I will provide the amendment to the Table for distribution. After a few opening remarks, with the distribution of the amendment and once members have the amendment, then I will move the amendment and make some comments with respect to the amendment that I propose.

Mr. Chairman, I want to start not with the clause that I proposed the amendment on but a clause nonetheless that will have a significant impact on municipalities.

THE DEPUTY CHAIRMAN: Please keep order, or we'd like order. Keep order: that's what I'm trying to do.

Hon. member, it has been distributed. We had copies here and had them distributed, so you can continue.

MR. COLLINGWOOD: Thank you, Mr. Chairman. I also encourage you to keep order, indeed.

The section that I would like to comment on in particular prior to moving the amendment, Mr. Chairman, is section 619, which is in Division 1, under authorizations and compensation. For members that are following the debate, it appears on page 50 of Bill 32.

Mr. Chairman, this particular . . .

MR. JACQUES: Order.

### Chairman's Ruling Decorum

THE DEPUTY CHAIRMAN: Seriously, we have to keep order. A little while ago when the hon. Member for Highwood was in the Chair, we had people on this side of the House – our members over here didn't hear one word. It's happening again, and that's not reasonable. All we ask when we're in this Chair is for some quietness. If you want to talk to your neighbour, talk quietly. Don't laugh and yell. Hon. Member for Grande Prairie-Wapiti, it's my job to holler "Order," not yours. You did a good job just the same, but let's not have anybody else do it.

The hon. Member for Sherwood Park.

9:30

### Debate Continued

MR. COLLINGWOOD: Thank you, Mr. Chairman. I will try one more time and continue with yet another valiant effort to be heard by Members of the Legislative Assembly.

As I was saying, Mr. Chairman, the provision that causes some great consternation and concern is section 619, and this is something that municipalities are going to have to watch very, very closely. While the Bill supposedly speaks to greater autonomy for municipalities, this is one of the sections that snatches it right back again and centralizes the power with the provincial government. Where a licence, permit approval, or other authorization is granted by the Natural Resources Conservation Board, the Energy Resources Conservation Board, or the Alberta Energy and Utilities Board, any land use planning or bylaw or decision of a municipal government has to be subservient to that decision or authorization made by one of those three bodies. So for any of the planning that is undertaken by a municipality, it essentially all goes by the wayside if it is inconsistent with a decision of the NRCB, ERCB, or AEUB.

Municipalities will of course have to become involved in those processes, and while they are perhaps few and far between for the NRCB, they are certainly extensive for the ERCB and the AEUB. It will of course be necessary for municipalities to be fully conversant with the decisions and the applications that are coming before those boards where it will affect their planning strategies at the local level. So it will mean an extra layer of responsibility for municipalities to be aware of and participate in those processes, to essentially have any input into those processes where the decisions are made by those particular bodies.

The thing that I want to mention now, Mr. Chairman, is that with respect to the NRCB members will know and members will recognize that the Natural Resources Conservation Board in and of itself cannot grant an approval. The NRCB grants an approval,

but that approval under the Natural Resources Conservation Board Act has no authority until it is approved by order in council. The decision of the NRCB must be approved by order in council, and then that approval takes force and effect. So essentially what happens is that the NRCB makes its ruling, as it were, which is a hollow ruling. Speaking practically, it will prepare a draft form of order and refer it to the Lieutenant Governor in Council, who will by order in council either accept or reject the draft form of order that has been proposed by the NRCB. In essence, what the order in council does is authorize the NRCB to grant the approval that it has done.

Now, what's key to this is the kind of event, Mr. Chairman, that occurred today, where the provincial government through Order in Council 371/95 repealed its previous Order in Council 746/94, which repeals a decision of the Natural Resources Conservation Board. Municipalities had better wake up to the fact that while it will be subjected to the decision of the NRCB and has to go through all of the changes that are necessary in that NRCB ruling, it all goes poof when the Lieutenant Governor in Council then changes its mind and the Lieutenant Governor in Council repeals the NRCB ruling that, for example in this case, it just made six months ago.

So if the changes are made or if there is the accommodation that takes place at the municipal level, who is affected? Who is affected by the whimsical nature of the Lieutenant Governor in Council in authorizing NRCB decisions, repealing NRCB decisions, now going back and doing another NRCB application for the same project all over again? Now there's going to be another order in council that'll come down the line again. Who's affected? The municipalities are affected.

Because of the whimsical nature of the Lieutenant Governor in Council on how it deals with these kinds of issues, municipalities had better wake up and smell the coffee that that's the kind of treatment they're going to get from this provincial government. Autonomy? Not in section 619, Mr. Chairman. They'll just have to swallow hard and take whatever comes from this government on how it's going to deal with that particular section, because it presses its thumb down on municipalities and says, "You will have to comply," and there will be no local decision-making about those kinds of issues that go in front of the NRCB, the ERCB, or the AEUB.

I raise that, Mr. Chairman, for the benefit of municipalities who are about to recognize that they have tremendous headaches coming down the pike with the way this provincial government deals with those kinds of issues that come before the NRCB. One day they make one decision; the next day they make another decision. Who knows what certainty there is of an order in council recognizing and giving authority to an NRCB decision? There is zero certainty. The evidence is provided today in Order in Council 371/95. Given that there is zero certainty on this issue, municipalities will have to pay attention and recognize that any of their planning will be completely and totally out of their control and, as I say, subject to the whims of the Lieutenant Governor in Council.

Mr. Chairman, I want to speak now specifically to section 631 of the Municipal Government Amendment Act, 1995. All I have to do is find it. Now I've found it. Here it is, 631(2)(a). Division 4 here, dealing with statutory plans, makes provision for intermunicipal development plans. In section 632, in terms of the municipal development plans there is reference in that specific provision for the consideration of "environmental matters within the municipality." The Bill as it comes to us recognizes – and I

will refer members to 632(3)(b)(iii). So there is, in the development of municipal plans at the local level, an opportunity for the consideration of environmental matters within the municipality. I would submit to you that that makes good sense, but where I want to address the issue of environmental matters within a municipality is that if the Bill has been drafted with an awareness of the importance of giving consideration to environmental matters, the same reasoning ought to apply under the establishment of intermunicipal development plans so that those municipalities that are involved in an intermunicipal development plan will also and indeed I would suggest should also take into account environmental matters.

9:40

So what I propose, Mr. Chairman, in my first amendment, which members will see is A, is that we will add as a subclause (iv), that the intermunicipal development plan may provide for "environmental matters within a municipality." It only makes sense that if it's going to appear in section 632 of the Bill, indeed it should appear in section 631 so that those councils that are involved in the intermunicipal development plans – and this is a permissive section, because it says "may provide for." But there's no reason why the intermunicipal development plan should not on a permissive basis, because that's the way the section's worded, take into account environmental matters within the municipality.

So, Mr. Chairman, I move, first of all, that that be added in section 631(2) so that those municipalities can take into consideration the environmental matters within the community.

Now, in the second part of the amendment, what I'm doing in my B and C amendments, Mr. Chairman, is that I am moving the consideration of "environmental matters within a municipality" out of the clause that is permissive – and that's (b), which says "may address" the following matters – and I am moving environmental matters into the "must" clause, which for the record and for members is section 632(3)(a)(vi). So for the benefit of members, my amendment that I'm putting forward is that the intermunicipal development plans should have the ability for those councils to take into account environmental matters within the municipality, in 631, and the municipal development plan should have a compulsory requirement that the municipal development plan must take into consideration the "environmental matters within a municipality." I take it out of the permissive clause; I put it into the mandatory clause. So for the Member for Calgary-North Hill, if he follows where I'm going with this amendment, I'm taking it out of the permissive clause that says "may." I'm putting it into the mandatory clause that says "must." That's what I'm doing with the amendment.

[Mr. Tannas in the Chair]

I think, Mr. Chairman, in a time when municipalities are going to take the brunt of downloading, are going to take the brunt of planning in terms of environmental reserves, planning in terms of the environmental impacts of development on their communities, and being left with those kinds of decision-making powers – notwithstanding what I just talked about with the whimsical government and NRCB – because they are going to have those powers and they're going to have that autonomy, it is only right, it is only fair, it is only proper that these amendments give them the better tools, not that they weren't there, to address in the development plans the environmental matters within their communities.

With those comments, Mr. Chairman, I move my amendment – I don't know if you've given it a designation as yet – and encourage hon. members to support this amendment.

THE CHAIRMAN: Okay. We have the amendment known as A6.

[Motion on amendment A6 lost]

THE CHAIRMAN: The hon. Member for Bonnyville.

MR. VASSEUR: Thank you, Mr. Chairman. I'd like to move a further amendment identified as amendment A8. Amendment A7 has been withdrawn. It was dealt with by a government amendment. The first amendment that the Member for Calgary-North Hill introduced as amendment A1 from the government was the same issue as our amendment A7. So this is why it goes from A6 to A8.

Has the amendment been circulated yet, Mr. Chairman? I noticed a while ago we went through a couple of amendments without the amendments.

THE CHAIRMAN: The amendment is in the process of being circulated.

MR. VASSEUR: Okay. Speaking to the amendment, section 678(1) is amended by adding subsection (e): "by any person living adjacent to the area for which subdivision approval is sought." Subsequently we'd have to address section 686(3) in a similar fashion, by adding section (d) to that particular section: "to any person living adjacent to the area for which a development permit is sought."

If I can expand on the reasons for the amendment, Mr. Chairman. If we go to section 653(4), on page 72, it says:

On receipt of an application for subdivision approval, a subdivision authority must give notice of the application to owners of the land that is adjacent to the land . . .

Now, that is very well, and there is no problem with that whatsoever. It goes on to (6), and it says:

A subdivision authority, when considering an application under this section,

(a) must consider the written submissions . . .

And on and on. Then it goes to

(b) is not required to hold a hearing.

Now, the process of subdivision application previously – and this was under provincial planning in our case. In the part of the province we came from the planning service came from provincial planning, and we had excellent service. The problem with the process at that time was that we had an appeal process at the local level, and then the applicant, if not happy with the decision at that appeal level, had the right to go to a further appeal process, which was the provincial planning level. It did take an awful length of time in some cases. I can fully understand why the issue of local autonomy comes into play in this instance in that the requirement is that the decision be made locally, but I don't know why they've allowed this here.

When you go to section 678 we're basically disallowing the appeal process to the neighbour, who we've informed of the possible subdivision, but we're not allowing him the opportunity at all, at all to be heard. Under 678, items (a) to (d) don't allow the neighbour to complain for whatever reason. He can do it in writing, and he's at the mercy of the municipality to bring it forward under probably (c), but that's it. He doesn't have the

ability to be heard, and having sat on the local appeal board before – and if I can go back here a little bit, I think the intent of the Act here to disallow the appeal process at that level is because, yes, in many cases there were what we may have called some bogus appeals, needless intervention that may have come forward. But if it is a needless intervention, if it is a bogus appeal, it's very easy at the local level to identify that through the appeal process and to make a ruling immediately within a very short period of time that we've heard your concerns and we deny it from going any further. We used to handle it that way, but then the individuals or the company or whatever it was had the opportunity to go to the next level at provincial planning for the appeal to be heard at a different level.

**9:50**

I honestly believe that that's not all that necessary, that there should be local autonomy, and that the local people should make the decision. In order to provide the opportunity for someone to be heard at the local level, they must have the right to appeal. It's not extending the process to any great extent other than it gives the individual the right to say: we don't want this development or this subdivision for this reason or that reason. Again, if there are needless interventions, that decision can be made at the local level, at the appeal process there. This is why the amendment has been brought forward, and I would imagine that everybody has a copy of the amendment.

Thank you very much, Mr. Chairman.

[Motion on amendment A8 lost]

[The clauses of Bill 32 as amended agreed to]

[Title and preamble agreed to]

THE CHAIRMAN: Shall the Bill be reported? Are you agreed?

SOME HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed?

SOME HON. MEMBERS: No.

THE CHAIRMAN: Carried.

### Bill 38

#### Alberta Corporate Tax Amendment Act, 1995

MR. N. TAYLOR: Speaking to Bill 38, I don't have an amendment to propose. The Bill is beyond redemption, Mr. Chairman. I just wanted it on the record that this is a really deceptive piece of work by the government and the Treasurer, more specifically the Treasurer, because I don't think the government members have looked at it. In a government that prides itself on the Alberta advantage and also prides itself on different incentives to get corporations to locate in Alberta, anybody with the most rudimentary knowledge of why corporations locate anywhere – it's to cut the paperwork down to a minimum. What we have here is an opening for dual taxation, and particularly small business doesn't want to go through the trouble of setting up and getting parallel systems of accounting.

Why the government would do this is beyond me, and I have rather a mixed reaction about speaking against it. As a politician, always thinking about the next election, you sometimes sit back

and think, "Well, the government has shot itself in the foot," and let the legislation go. As small businessmen start seeing this kick into gear over the next year or two, they're going to be pretty annoyed, and of course we can reap the benefits of it.

I do think that I have a responsibility to the taxpayers and maybe to the Legislature to point out that this is counter to the normal system the government wants to operate. How it got by the caucus is beyond me. I think they accepted somebody's recommendation. I'm sorry they did that as far as business is concerned; politically it's probably all right as far as opposition is concerned.

[The clauses of Bill 38 agreed to]

[Title and preamble agreed to]

THE CHAIRMAN: Shall the Bill be reported? Are you agreed?

SOME HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed?

SOME HON. MEMBERS: No.

THE CHAIRMAN: Carried.

### Bill 39

#### Treasury Branches Statutes Amendment Act, 1995

THE CHAIRMAN: Any comments or amendments?

DR. PERCY: Thank you, Mr. Chairman.

THE CHAIRMAN: Mr. Chairman hasn't recognized you, but I will do so with all haste. The hon. Member for Edmonton-Whitemud.

DR. PERCY: Yes. We had adjourned debate in Committee of the Whole after an amendment to this Bill had been defeated. I was in the process of bringing forth another amendment.

Let me just summarize the issues. This Bill marks an important step forward in the enhanced governance of the Treasury Branches, and in fact on occasion the opposition can take credit for some things. I'm quoting from a press release of March 28, 1994: politicization of the Treasury Branches must be stopped. It dealt with the Auditor General's report on Gainers. In this press release we asked for three things.

MR. DINNING: Who's we?

DR. PERCY: The Liberal opposition.

- Amend the Treasury Branches Act to provide governance of the ATB through an advisory board and review through an audit committee.

This Bill does that, and it's also consistent with the Flynn report.

- Require the Superintendent to report through the Legislative Assembly for the implementation of ATB policy,
- The Superintendent should be required to appear regularly before the Standing Committee on Public Accounts to account for the implementation of policy in past years.

Now the issue. This is a good Bill as far as it goes. One issue, though, is the issue of governance. Part of the reason that there is a real need for an independent board is to buffer Treasury Branches from the political process so it's arm's length. Also,

there has to be a degree of accountability. How do you build in accountability? It's clear that the superintendent reports to the board, and there's a report that then goes to the Treasurer. So there's still a very direct link between the Treasury and governance.

If we ask the Provincial Treasurer in the House questions that we might have about activities of the Treasury Branches, we get into the line in the middle there which the Treasurer refuses to cross and we won't cross either, and I think it's fair to say that that's appropriate.

MR. DINNING: Good. I'm glad that's on the record now: it's appropriate.

DR. PERCY: But it's appropriate only in the sense . . .

AN HON. MEMBER: But.

DR. PERCY: But . . .

#### **Chairman's Ruling Decorum**

THE CHAIRMAN: Hon. members. Hon. members, backyard arguments can go on in that location, but in the committee we would appreciate if the person speaking can do so without engaging in lively debate until after he has sat down, at which time we'll invite the hon. Provincial Treasurer or any other member to engage him in that debate.

#### **Debate Continued**

DR. PERCY: It's appropriate, but if there is a mechanism of accountability for the Legislature and the Provincial Treasurer argues that he cannot discuss these things, if there is some mechanism for officials of the Treasury Branches to be questioned about policy issues or other issues where there appears to be an element of politicization of the process, how do we do that? The Treasurer argues that he cannot. With an independent board there, there is a buffer, but now the question is: how do we get information to the Legislature when the Treasurer will now say, "Well, there's a board"? We think the mechanism is through the Standing Committee on Public Accounts. When the minister of agriculture, for example, appears before Public Accounts, that minister brings with him all of his officials, including Alberta Financial Services, all of those entities. They're there and they respond, and they respond fully to questions that are asked. Again we're dealing with taxpayer dollars, and the minister feels it is appropriate that . . .

**10:00**

THE CHAIRMAN: Hon. member, we now have approximately six people speaking at the same time, all of which are standing.

AN HON. MEMBER: They're all Liberals.

THE CHAIRMAN: Well, they may well be if you count the one that's moving.

Thank you.

DR. PERCY: There is precedent for this, particularly when we're dealing with financial institutions, a direct mechanism of accountability. That's what we're asking for, a mechanism by which the Treasury Branches are accountable to the Legislature, not just to the Provincial Treasurer, because that still makes the

relationship too tight between the Treasurer and the operation of the Treasury Branches. There's not this independent vehicle by which we can ask questions about the operation of the Treasury Branches and do so in a way that's not in here, where it becomes very political. The one thing that you can say about Public Accounts is that it's not the hotbed that you find question period is and it does allow for an exchange and questions to be asked and delivered and discussed in a reasonable fashion.

In the absence, then, of the Provincial Treasurer being willing to deal with some of the issues that emerge, there has to be some mechanism of accountability. Governance and the change goes part of the way in addressing these issues, but we can get accountability to the Legislature by having the superintendent appear with the Treasurer before the Standing Committee on Public Accounts. This is a way that is consistent with parliamentary democracy. It allows for direct accountability. It depoliticizes the Treasury Branches, it provides that accountability that is important, and it allows, then, the operation of the Treasury Branches to be sort of put aside, taken out of the political arena so it can do the job it has to do.

This is an amendment that I'm going to bring forward. It's a constructive amendment, and I'm going to distribute it. The first four copies have been signed. It's been checked, and I'll ship it up there to the page.

The amendment is very straightforward:

The Superintendent shall appear before the Standing Committee on Public Accounts annually to account for the conduct of the operations of the Alberta Treasury Branches.

That is accountability. It's an all-party committee, and it's out of here and somewhere else. It allows then, as I say, the Treasury Branches and the review of its operations to be done in a way that you can get things done.

The amendment is being distributed, and again the intent is to promote effective, efficient Alberta Treasury Branches and to do so in a way that makes it less partisan, less political. I think the Public Accounts Committee, as anybody knows who sits on that, is less partisan sometimes in terms of the approached issues than some of the issues are when they're dealt with directly here.

The amendment is being distributed, and I know that other colleagues of mine would like to speak to this, but again the fundamental issue here is accountability. The fundamental issue is accountability, accountability through the legislative framework and doing it in a way that's consistent with parliamentary tradition.

Now, the other reason I think this is appropriate is that in the House two days ago I'd asked a question about the performance of the Alberta Treasury Branches, and I quoted from a document dated April 20 from the Dominion Bond Rating Service. What the Dominion Bond Rating Service said was in part very positive about the province and the conduct of financial affairs, but they said that problem areas still remain. The problem area that they highlighted for the Provincial Treasurer was the performance of Alberta Treasury Branches, very high loan loss provisions, .97 for Treasury Branches, when the average for the Canadian banking system was .63. That's a significantly higher margin. It also pointed out the very, very low rate of return on capital in the Treasury Branches. There are performance problems with the Treasury. Governance will go part of the way in dealing with it. Accountability is the other part.

Now, the other reason that this amendment is important is that this Bill, when you look at it, provides no vehicle for appointments. What the Treasurer has done is appoint a very highly esteemed individual to help screen the initial round of appointments, but these appointments are significant appointments, and

we have no assurance from the Treasurer as to how subsequent appointments are going to be made. Will they be made on the basis of political affiliation, competence, or what? At least by having the superintendent appear before the Standing Committee on Public Accounts, you have direct accountability, a channel by which all members in this House can deal with issues in terms of the performance of Alberta Treasury Branches.

With those comments, Mr. Chairman, I'll take my seat.

**THE CHAIRMAN:** Before we'll recognize anybody, I just want to remind the committee that the latest amendment, that's been introduced by the hon. Member for Edmonton-Whitemud on section 2.5(3), will be known as A2.

I'll call on the hon. Member for Edmonton-Manning.

**MR. SEKULIC:** Thank you, Mr. Chairman. I rise to speak in favour of the amendment introduced by my colleague from Edmonton-Whitemud. I sit on the Public Accounts Committee, and I think it's one of the committees that permits a balanced opportunity for both sides of the floor to ask well-thought-out questions, questions that would ensure some accountability from the ministers. In fact, I think it's one of the freer flowing committees that we have in the Legislature, and I note that the Treasurer is nodding in agreement. So I'm almost convinced that he will be supporting this amendment.

When I first stood to speak to this Bill in second reading, I put forward my view that this was a positive Bill. I thought that Bills 38, 39, and 40 were all positive Bills and that with some minor amendments they could become better Bills, in fact solid legislation for Albertans. In effect, what this amendment speaks to, Mr. Chairman, is something that's the title of the next Bill. It's about accountability. I can't see any reason, any reason at all, that the government members – and that in fact the Treasurer wouldn't encourage the government members – wouldn't support this positive amendment.

Mr. Chairman, too often in the past two years that I've been here, we've brought up the issue of transparency, of government transparency and government accountability. It's all too often been merely rhetoric when the government side has said: we are accountable, we care, and we listen; we are transparent. Here's an opportunity to live up to those claims in one small amendment. So I would encourage the Treasurer, I would encourage all government members to read this carefully and see that it's not a drastic change. It doesn't change the principle of this, and it enhances the principle of the Bill.

With those few comments, Mr. Chairman, I would call for the question.

**THE CHAIRMAN:** We're ready for the question, then, on amendment A2. All those in support of amendment A2 as moved by the hon. Member for Edmonton-Whitemud, please say aye.

**SOME HON. MEMBERS:** Aye.

**THE CHAIRMAN:** Opposed, please say no.

**SOME HON. MEMBERS:** No.

**THE CHAIRMAN:** Defeated.

[Several members rose calling for a division. The division bell was rung at 10:09 p.m.]

[Ten minutes having elapsed, the Assembly divided]

For the motion:

Abdurahman	Dickson	Sekulic
Beniuk	Hanson	Taylor, N.
Bracko	Henry	Van Binsbergen
Bruseker	Leibovici	Vasseur
Collingwood	Mitchell	White
Decore	Percy	Zariwny

**10:20**

Against the motion:

Amery	Fritz	McFarland
Black	Gordon	Mirosh
Brassard	Havelock	Oberg
Burgener	Herard	Paszkowski
Calahasen	Hierath	Renner
Clegg	Hlady	Severtson
Day	Jacques	Shariff
Dinning	Jonson	Smith
Doerksen	Laing	West
Evans	Magnus	Woloshyn
Fischer	Mar	Yankowsky
Friedel	McClellan	

Totals:	For – 18	Against – 35
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[Motion on amendment A2 lost]

**THE CHAIRMAN:** The hon. Member for Sherwood Park.

**MR. COLLINGWOOD:** Thank you, Mr. Chairman. I rise this evening to join debate on Bill 39, and in doing so, I am pleased to introduce on behalf of my colleague the hon. Member for Fort McMurray an amendment to Bill 39. I believe the amendment has been provided to the Table, and it is being circulated as I speak and as many other members of the Assembly also speak.

**THE CHAIRMAN:** It's been an exciting evening for many. I wonder if we could keep the conversation down or out.

This amendment as proposed by the hon. Member for Sherwood Park on behalf of the hon. Member for Fort McMurray will be known as A3.

Sherwood Park.

**MR. COLLINGWOOD:** Thank you, Mr. Chairman. Speaking to amendment A3. The Treasury Branches Statutes Amendment Act makes some significant changes to the structure and function of the Treasury Branches, and a significant component of that is the eligibility requirements for directors who are to sit on the board of directors of the Alberta Treasury Branches.

Now, section 2.2 goes to some length to indicate the eligibility requirements for a director on the board of directors of the Treasury Branches. Some of those particular provisions are certainly obvious and certainly within the normal scope of eligibility requirements. The section that is of most concern is section 2.2(1)(e), where the eligibility requirements relate to the criminal record, if you will, of a potential candidate who might otherwise qualify for sitting on the board of directors. The difficulty with the provision, Mr. Chairman, is that it's one of these clauses that has such loose wording that the interpretation is such that no indictable offence could ever be found within the wording of the first subsection in subsection (e). I just want to

state what the terminology is for the exclusion of the eligibility requirements:

- An individual who, within the immediately preceding 5 years,
- (i) has been convicted of an indictable offence that is of a kind that is related to the qualifications, functions or duties of a corporate director.

I ask, Mr. Chairman: what in the world is an indictable offence that is related to the qualifications of a corporate director? What in the world is an indictable offence that is related to the functions of a corporate director? What in the world is an indictable offence that is of a kind that is related to the duties of a corporate director? I would submit to you that if a candidate was eligible for the board of directors of the Treasury Branches but that individual had a criminal record of armed robbery, that would not fit within the exclusion provisions of that section. Armed robbery has nothing to do with being of the kind related to being a corporate director. Indeed, the argument could be stretched that it would not even include fraud, that it would not include embezzlement, that it would not include any of those kinds of criminal, indictable offences, because the argument can very easily be made that those are not of a kind "related to the qualifications, functions or duties of a corporate director."

To avoid the problem that this creates – and it's not the black area and the white area; it's the gray area in between that creates the problem. So that we know that anyone who is eligible to sit on the board of directors of the Treasury Branches is beyond reproach and above and beyond any of those concerns, the amendment that I propose is to simply say: "an individual who, within the immediately preceding 5 years . . . has been convicted of an indictable offence." That will then avoid any confusion or any argument that that particular individual is in fact eligible because the conviction for which they have been convicted is not of a kind "related to the qualifications, functions or duties of a corporate director."

The intent of course, Mr. Chairman, is to prevent the cons from sitting on the board of directors of the Treasury Branches, whether or not it is for any of the kinds of indictable offences that I have spoken about or other indictable offences. The hon. Member for Little Bow will also recognize that Members of the Legislative Assembly are also ineligible to sit on the board, whether or not they're cons. Therefore, hon. member, both of us would be excluded from sitting on the board of directors, notwithstanding.

Mr. Chairman, I move the amendment for the purpose of clarity, so that we will know for certain that the eligibility requirements are more certain, that any individual who has been convicted of an indictable offence within the preceding five years would not fit the eligibility requirements. Then we wouldn't have to go through the guessing game of whether or not that particular indictable offence was of the kind related to the qualifications, functions, or duties of a corporate director.

Mr. Chairman, I submit to you that it is a simple amendment. It is done to clarify the provision of eligibility. It is done to protect the public. It is done to establish certainty for who can and who cannot become directors of the Treasury Branch.

With that, Mr. Chairman, I will move that particular amendment to Bill 39.

**10:30**

DR. OBERG: It's a pleasure to rise tonight to speak to this amendment, and I'll be very brief.

AN HON. MEMBER: Is that a tie?

DR. OBERG: That's a tie.

There are a couple of issues that I would like to raise with regards to this amendment. First of all, as we sit here, the hon. member across the way made some very good points in that we don't want someone on the board of the Treasury Branch who has been convicted of armed robbery, of embezzlement, of fraud. I think that's a very good point, but I think we also have to be astute enough to be aware that there are other indictable offences.

I think one that is coming forward that is very interesting is the gun registration law, which would be an indictable offence if you are guilty of not registering a firearm. I think this is something that we have to look at. I think we also have to look at ourselves here. [interjection] The point that I'm making is that we have to be extremely careful in defining the indictable offences, Mr. Chairman.

[Mr. Herard in the Chair]

I agree that there are certainly a lot of them that should not qualify, but we do have people who sit in places like the Legislature who have been convicted of criminal offences. The highest court in the land, and they are sitting here. So we have to be careful on this, Mr. Chairman.

With that, I think I've made my point and I'll sit down.

THE ACTING CHAIRMAN: The hon. Member for Calgary-Buffalo.

MR. DICKSON: Thanks, Mr. Chairman. Just a couple of brief comments I'd add to the arguments advanced by the Member for Sherwood Park, but let me firstly deal with the response just raised by the Member for Bow Valley. Last time I looked at the Bill that's been introduced in the House of Commons that's colloquially known as the gun control Bill, what we're talking about there, unless it's a smuggling offence, is a summary conviction, not an indictable offence. So that's an example that simply doesn't bear.

Mr. Chairman, I think what's important . . .

AN HON. MEMBER: Impaired driving.

MR. DICKSON: Somebody has suggested impaired driving, and the reality is that there are a number of offences in the Criminal Code where the Crown has the option in terms of proceeding by indictment or by summary conviction. But I think the point is this: if we step back from it and say that directors have – and this is an extremely key and important responsibility. There's a whole body of law that talks about the fiduciary responsibility that directors have. These people have an absolutely key leadership role. So why are we standing on our heads, figuratively speaking, trying to say: "Well, is this kind of an offence – is that over the line?"

The Criminal Code makes it absolutely clear that it is only the most serious kinds of offences that are indictable offences. There are a whole range. Every offence under every provincial government statute is a summary conviction. The province doesn't have the power to create indictable offences, and in the Criminal Code all the serious offences are indictable. Less serious ones are summary convictions, and it seems to me that that clear demarcation is there.

Someone might say: "What about the criminal records Act? What happens if somebody is convicted of an indictable offence and then they get a pardon under the criminal records Act?" Our

colleague from Fort McMurray has thoughtfully anticipated that objection, because the eligibility period to be able to apply for a pardon under the criminal records Act after an indictable conviction is in excess of the five-year time period here. So that's not a factor, Mr. Chairman.

I think the point really comes down to this. If we believe that for the Treasury Branch directors – we expect those people to be in a leadership capacity; we expect them to be above reproach – why don't we say that in plain language? We've discussed plain language, at least on Bill 19. The way the Act is currently written, once again the government invites Albertans who want to find out which side of the line they fall on to go and retain a lawyer and get a legal opinion. Well, those members on this side of the Legislature believe that laws should be written so Albertans can pick up the Bill and they can understand it themselves and they know whether a director is eligible or ineligible without having to go and get a formal legal opinion.

I think the Member for Fort McMurray has done us all a big favour by making this much clearer, and unless there's some member in the House who wants to get up and suggest that because it's rape or armed robbery instead of embezzlement and some kind of mail fraud that that somehow should be treated differently, I think all members should support this enthusiastically and appreciate our colleague from Fort McMurray for creating this kind of certainty, Mr. Chairman.

Thank you.

MR. DINNING: Mr. Chairman I would submit that the clarity of the arguments put forward by the Member for Fort McMurray are even better when he's not here, and I would acknowledge that the genesis, the origin, perhaps of this amendment is from two sources to be consistent with the Loan and Trust Corporations Act of Alberta in sections 103, 105, and 128, and so that is why we followed the same approach.

MR. DECORE: Mr. Chairman, point of order.

THE ACTING CHAIRMAN: The hon. Member for Edmonton-Glengarry.

**Point of Order  
Questioning a Member**

MR. DECORE: *Beauchesne*. I'm asking that the Provincial Treasurer answer a question with respect to this section so that we can clarify this area. Would he allow for a question?

MR. DINNING: Sure. Go ahead.

**Debate Continued**

MR. DECORE: I'd like to ask the Treasurer, Mr. Chairman, to give us some examples. Obviously he's thought through that there are some indictable offences that are acceptable. I'd like him to give us one or two or five or six of those indictable offences that would be acceptable after a review that aren't of the kind that would in any way affect the board member. Would he do that?

MR. DINNING: Mr. Chairman, I appreciate the member's question, but perhaps you'll let me get to it a little later in my remarks.

The reason we tried to make this Bill consistent with the Loan and Trust Corporations Act in the sections that I referred to, we also . . .

MR. DECORE: You're squirming.

MR. DINNING: No, I'm not.

Mr. Chairman, we also tried to make it consistent with the Bank Act in sections 160, 162, and 200. The only purpose of this was consistency. I was only half jesting when I suggested that the Member for Fort McMurray's arguments were even clearer in his absence. I am prepared to recommend them . . .

THE ACTING CHAIRMAN: Excuse me, hon. Provincial Treasurer. I think that it's tradition in the House that we do not comment on members who are absent.

Thank you.

MR. DINNING: I'm sorry, Mr. Chairman.

I would agree with the arguments put forward by the Member for Sherwood Park. I would recommend of my colleagues in the Assembly that we accept the amendment, and I would so call the question.

[Motion on amendment A3 carried]

**10:40**

THE ACTING CHAIRMAN: The hon. Member for Edmonton-Manning.

MR. SEKULIC: Thank you, Mr. Chairman. I rise to speak to Bill 39, the Treasury Branches Statutes Amendment Act, 1995, and in the spirit of co-operation and betterment of the legislation which the Treasurer is putting forward, I would move a friendly amendment to Bill 39. I believe you have it there at the desk. I anticipate we'll be calling this one A4. The pages are currently circulating it, Mr. Chairman, and on behalf of the Member for Fort McMurray I'll just quickly outline what this amendment is.

What the amendment attempts to do, Mr. Chairman, is ensure that there's no potential for conflict of interest. The purpose of the amendment is to prohibit a Treasury Branch from entering into business transactions with directors. It's quite clear as to what its goal is. I know that the Treasurer agrees with this amendment and more than likely will be supporting it.

In the previous amendment the Treasurer referred to consistency with the Bank Act. Now, in this Legislature I would hope that we as Alberta Members of the Legislative Assembly would look to not simply equal standards set by the federal jurisdiction or by the provinces. I would assume that we would attempt wherever possible to better and certainly in this case I think we can better this Bill and any equivalents which may be found in the federal Bank Act. Once again, Mr. Chairman, this speaks purely to accountability, and I think in one form it's preventative in nature. It prevents conflict of interest.

With those few comments, Mr. Chairman, I'll pass the floor to a colleague.

THE ACTING CHAIRMAN: Before recognizing the hon. Member for Edmonton-Whitemud, we have marked this amendment A4. Thank you.

DR. PERCY: I rise in support of amendment A4 and what it attempts to do. Again, it's consistent with the previous amendment in that certainly in the absence of any explicit selection criteria for directors, one has to be sure that those directors are above reproach. The Treasurer has seen fit to accept the preceding amendment with regards to indictable offences, and what this amendment does is basically ensure that there is no hint whatsoever of self-interest or benefit for directors who might serve on

the board and in the course of serving on the board have significant loans with the Treasury Branches. So, again, we think these series of amendments ensure that there is a board that will appear to be pristine and certainly will command respect from Albertans. We're dealing here with an entity that has over \$9 billion in assets and which the taxpayers back in the form of self-insurance for the deposits that Albertans make with this highly valued institution.

With those comments, Mr. Chairman, I will call the question.

THE ACTING CHAIRMAN: The hon. Member for Clover Bar-Fort Saskatchewan is rising on a point of order.

#### Point of Order

#### Questioning a Member

MRS. ABDURAHMAN: Yes. I would like to ask a question of the Member for Edmonton-Whitemud.

AN HON. MEMBER: It's too late; he called the question.

MRS. ABDURAHMAN: I was on my feet before.  
Will you permit a question?

DR. PERCY: Yes.

#### Debate Continued

MRS. ABDURAHMAN: My question is: what are we defining as spouse? I have a concern: the definition of "spouse." [interjections] Mr. Chairman, I'd like to ask the Member for Edmonton-Whitemud what the definition of a spouse is. My concern is that it's too narrow.

DR. PERCY: The definition would be the legal definition, and I think it would include significant others, common-law relationships. But my colleague from Fort McMurray proposed this amendment. I think it is the legal definition of spouse, and I'm not sure how broad it is.

[Motion on amendment A4 lost]

[The clauses of Bill 39 as amended agreed to]

[Title and preamble agreed to]

THE ACTING CHAIRMAN: Shall this Bill be reported? Are you agreed?

SOME HON. MEMBERS: Agreed.

THE ACTING CHAIRMAN: Opposed?

SOME HON. MEMBERS: No.

THE ACTING CHAIRMAN: Carried.

#### Bill 40

#### Government Accountability Act

MR. DINNING: Mr. Chairman, I've appreciated the advice we have received from members on both sides of the House with respect to this Bill and especially the support given to it by both sides of the House. Upon further review of the Bill and after discussion with one of my more enlightened colleagues in the

Assembly, I bring forward this government amendment to section 16 to add the following section after subsection (2):

(3) An accountable organization must give any person who requests it a copy of the business plan or annual report referred to in subsection (2) after it is given to the Minister.

The idea here, Mr. Chairman, is to put the onus and responsibility on that accountable organization, be it a regional health authority, a community health council, a school board, or any such accountable organization, to release its business plan or annual report upon request, at least following its submission to the appropriate minister.

I would so move this amendment, Mr. Chairman, and I ask that all members of the Assembly agree to it.

THE ACTING CHAIRMAN: Before recognizing the hon. Member for Edmonton-Whitemud, this amendment is A1.

10:50

DR. PERCY: That's right, Mr. Chairman; it is A1. What it does is ensure, then, that the public can receive the information from these accountable organizations on demand once it has been given to the minister. I think it brings a degree of accountability to, for example, the regional health authorities, particularly at a time when they're appointed rather than elected. So I support very strongly this amendment. I thought: who should be responsible? Should it be the government to release it upon receipt, or should the responsibility lie with the accountable entity? I think the responsibility should lie with the accountable entity and that citizens should have the right and the responsibility to go to those entities and demand the business plan or the annual report.

I would support very strongly this amendment, and I would call the question.

[Motion on amendment A1 carried]

DR. PERCY: I rise to speak in Committee of the Whole to the Government Accountability Act. Again, what this Bill does is basically codify what is current practice of government. In that sense it provides a structure, and we support the structure.

However, when you look at the paternity of the Government Accountability Act and what constitutes current practice, a lot of it derives from the approach taken in New Zealand, for example, in terms of providing for more rigour and transparency and accountability. When you look at the guts of the Bill, it doesn't go as far as some of these other jurisdictions in making transparent and in terms of the stringency of the requirements. For example, Texas: in terms of trying to link expenditure to outcomes in its appropriations Bill, it links explicitly. When you vote to spend money, you link it explicitly to an outcome in a vote on appropriations so that when you're going out and you're talking and knocking on the doors you can say that we spent this money and this is the outcome. Now, the business plans do that, and that's certainly a very significant and positive step forward, but there are several areas where we would like to see further detail in this Government Accountability Act.

[Mr. Tannas in the Chair]

We have two amendments, which we will speak to very briefly, that set this out on what an ideal Government Accountability Act would do. I will distribute this. What this amendment does is basically strike out subsection 13(3) and provide greater detail for the minister in terms of the ministry business plan. It does a

number of things. Some ministers do that; others don't. There's not a consistent pattern in these. When you read the Government Accountability Act, the requirements are relatively modest. Some ministers go the extra yard; others don't. I'll just briefly summarize it as it's being distributed. The ministry business plan must include:

- (a) a statement of the mission of the ministry,
- (b) the goals and objectives set for the activities which fall under the ministry,
- (c) the strategies to be employed in order to achieve the goals and objectives of the ministry,
- (d) the performance measures to be used in assessing the performance of the ministry in achieving goals, objectives and strategies,
- (e) benchmarks or targets specified for each performance measure,
- (f) a description of the internal/external environment that may impact on performance,
- (g) the total revenue and a breakdown by sources of revenue for the ministry,
- (h) the total expenditure and a breakdown by category of expenditure for the ministry, and
- (i) any other information the Treasury Board or the Minister considers appropriate.

Now, this accountability Bill has a very nice feature to it, which is: it's a report by a ministry as opposed to a department, so it's much more broad based in terms of what is required to be reported. What this amendment does is basically put out in more detail what the ministry must report as opposed to basically more of a summary statement that you see under section 13(3).

We view this again as a way of requiring and ensuring that this and subsequent governments provide as much transparency and openness but, more importantly, provide Albertans a vehicle for assessing outcomes. The problem we face now is that people know how much we spend but they don't know what they get for it, and the more you can ensure legislatively that the focus is on outcomes, performance and benchmarks, the better off collectively we will be as politicians. Certainly the better off will be the province in terms of getting value for dollar in government expenditures.

With those comments, Mr. Chairman, I will call the question.

[Motion on amendment A2 lost]

THE CHAIRMAN: The hon. Member for Edmonton-Manning.

MR. SEKULIC: Thank you, Mr. Chairman. In the continued spirit of accountability and betterment of legislation that's been introduced in this House, as I said, this is a positive Bill, but like most other Bills it can be amended and bettered at this stage rather than revisiting it in the fall, and I would certainly encourage members to support the amendment which I'm putting forward.

It's an amendment to Bill 40, the Government Accountability Act, and specifically it's amending section 14(2), where we refer to the ministry's annual report. My feelings there were that we required a broader scope of accountability and that this amendment would address that. I'll quickly go through this amendment. I'm sure the Treasurer, in the spirit of co-operation and betterment, will be supporting this amendment. "A minister must include in the ministry's annual report . . ."

THE CHAIRMAN: The hon. members of the committee will be reminded that this amendment as moved by Edmonton-Manning will be called A3.

The hon. Member for Edmonton-Manning.

MR. SEKULIC: Thank you. As I said, I'll quickly walk through it, because I'm not sure that all of my colleagues in government would take the time to read it carefully and determine its merits independently. I will help them through it. I will do it quickly, Mr. Chairman, and the fewer the interruptions, the quicker I'll move.

- (a) a statement of the mission of the ministry,
- (b) a description of the programs offered by the organization,
- (c) a summary of full-time equivalent employees by program,
- (d) a description of individual program, nature of the service population and program goals, objectives and strategies,
- (e) a description of the key factors which influence the success in achieving program goals, objectives and strategies,
- (f) specification of the performance measures used to evaluate program performance,
- (g) an analysis of past and present program performance by comparing actual results to performance targets,
- (h) a discussion of ways to improve program performance in succeeding years,
- (i) the financial statements of each of the components of the ministry as supplemental information,
- (j) a summary of expenditures under each appropriation in the ministry, and
- (k) any other information the Treasury Board or the Minister considers appropriate.

Now, having walked all members of the Assembly through this, Mr. Chairman, I just want to focus on a few of those key areas. So often we find ourselves in committees and not able to extract information from the ministers, specifically in the area of the achievement of program goals, objectives, and strategies and in fact the clear statement of specific program goals, objectives, and strategies. I think this amendment goes a long way to making this truly a Government Accountability Act, and I can't see that any government member could possibly vote against this amendment.

Having said that, I will now call the question.

[Motion on amendment A3 lost]

11:00

[The clauses of Bill 40 as amended agreed to]

[Title and preamble agreed to]

THE CHAIRMAN: Shall the Bill be reported? Are you agreed?

SOME HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed?

SOME HON. MEMBERS: No.

THE CHAIRMAN: Carried.

MR. DAY: Mr. Chairman, I move that the committee rise and report.

[Motion carried]

[Mr. Clegg in the Chair]

MR. TANNAS: Mr. Speaker, the Committee of the Whole has had under consideration certain Bills. The committee reports the following: Bill 27, Bill 38. The committee reports the following

Bills with some amendments: Bill 32, Bill 39, Bill 40. The committee doesn't report any additional progress.

Mr. Speaker, 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 ACTING SPEAKER: All in favour of the report by the hon. Member for Highwood?

HON. MEMBERS: Aye.

THE ACTING SPEAKER: Opposed, if any? Carried.

[At 11:03 p.m. the Assembly adjourned to Thursday at 1:30 p.m.]

