Legislative Assembly of Alberta

Title: Tuesday, December 2, 2003 1:30 p.m.

Date: 2003/12/02 [The Speaker in the chair]

head: Prayers

The Speaker: Welcome.

Let us pray. Our Father, we confidently ask for Your strength and encouragement in our service of You through our service of others. We ask for Your gift of wisdom to guide us in making good laws and good decisions for the present and the future of Alberta. Amen.

Please be seated.

head: Introduction of Guests

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

Mr. Hancock: Thank you, Mr. Speaker. It's my pleasure today to introduce to you and through you to members of the Assembly 56 grade 6 students and their teachers Miss Colleen Reeder, Ms Campbell, Mr. French and parent helpers Mrs. Krause, Mrs. Marko, Mrs. Daniels, Mrs. Kim, Mrs. Lee, and Mrs. Parish from George P. Nicholson school in my constituency of Edmonton-Whitemud. They're here today to observe and learn with keen interest about our government, and we've had an opportunity to tour our legislative chambers. George P. Nicholson is a new school in the area of Twin Brooks. It's a wonderful new addition to our community. It's a wonderful new addition for our children, and there's only one thing that I would mention, that the Minister of Learning might perhaps provide a few more books for the library. I'd ask the teachers, students, and parent helpers to stand and receive the traditional warm welcome of our Assembly.

Mr. Speaker, it's also a pleasure for me to rise today and introduce six fine young people who are committed to safer communities and a more peaceful Canada. Each of them was involved in bringing nearly 400 young people from across Canada to Edmonton for YouCan's youth conference on peace building and conflict resolution. For those of you not familiar with YouCan, it's a national organization that promotes youth-led conflict resolution and violence prevention initiatives. I had the pleasure of speaking at the event, and, as I told them, it was exciting for me to see young Canadians investing their enthusiasm in something as important and as constructive as peaceful problem solving. They even had me dancing to Twisted Sister on Saturday morning. It's my pleasure to introduce Kyle Dubé, Tara Tancred, Rob Heydari, Bryan Conroy, Cortney Garnett, and Cam Malchow. I congratulate them again on the successful event and ask them to rise and receive the traditional warm welcome of our Assembly.

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

Mr. Maskell: Thank you, Mr. Speaker. I am delighted to be able to rise and introduce to you and through you to members of this Legislature 56 of the most rambunctious, keenest, and friendliest grade 6 students you could ever meet. They're from Aldergrove school. These bright, eager young people have been touring the Legislature this morning and have also decorated a Christmas tree in the pedway. Accompanying the students are their teachers, Mrs. Christine Steil and Mrs. Sandy Colquhoun. Aldergrove is blessed with a large, very active school council and many, many volunteers. Accompanying the students and their teachers are some of these parent volunteers: Mr. Ed Cox, Mrs. Shelley Cox, Ms Renae Sauer,

Mrs. Cindy Alexander, Ms Terry Arndt, Mrs. Tracy Miller, Mrs. Wendy Anderson, and Mrs. Marlan Ballantyne. My Aldergrove guests are seated in the public gallery, and I'm asking that they please rise and receive the traditional warm welcome of the Legislature.

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

Mr. Hutton: Thank you, Mr. Speaker. It is, indeed, a pleasure for me to stand on behalf of my colleague the Member for Edmonton-McClung, the Minister of Economic Development, to introduce a constituent of his, Chelsea Mitchell. Chelsea is seated in the members' gallery, and if she would please rise, I would ask that all members give her the warm welcome she deserves.

Thank you.

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

Dr. Nicol: Thank you, Mr. Speaker. It's a real pleasure for me today to stand in the House and introduce to you and through you to the members of the Legislature a number of people including a number of chiefs of the First Nations communities from northern Alberta. I'll introduce the chiefs and some of the members of their band, and then I'll ask them to rise: first of all, Chief Jerry Noskey from the Loon River Cree Nation, Chief Bernie Meneen from the Tallcree First Nation, Chief Rose Laboucan from the Driftpile First Nation, Chief Steve Didzena from the Dene Tha' First Nation, Chief Francis Gladue from the Bigstone Cree Nation, Lorraine Muskwa from the Alberta Treaty 8 health authority, and Daniel Nanooch, an elder. I'd ask all of them to rise, as well as the other members of their band that are there, and receive the warm welcome of the House.

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

Ms Blakeman: Thank you very much, Mr. Speaker. I have two introductions today. The first introduction is Karen Farkas and Clyde Hurtig. They are the owners of Heart Smart Foods in Sherwood Park, and they are patrons of the arts and, particularly, supporters of Workshop West. They are my guests today, and they're shadowing me as an MLA. They're keenly interested in the democratic process. I would ask them to please rise and receive the warm welcome of the House.

My second introduction today, Mr. Speaker, is a man I'm very proud of. Brian Deedrick is Lacombe born and bred. He was educated at the University of Alberta, and he apprenticed his craft in Europe and throughout the world. My friend Brian is now the artistic director of the Edmonton Opera and has just opened, very successfully, his first production directed as artistic director, *Turandot*. He's accompanied today by the woman that makes it all possible, and that is Mary Phillips-Rickey. She's the general manager for the Edmonton Opera, and I know that she does all the heavy lifting. I'm very proud of both of these people. Please rise and receive the warm welcome of the Assembly.

The Speaker: The hon. Minister of Infrastructure.

Mr. Lund: Thank you, Mr. Speaker. During question period today there will be some 55 students from Will Sinclair high school in Rocky Mountain House joining us, and they will be accompanied by teachers Mrs. Alanna Cellini, Mr. Nathan Moore, and Mrs. Roxane Melvin, as well as a parent helper, Mrs. Christine Merillis. They will be joining us, as I said, during question period, and they may be leaving before it's over.

Thank you, Mr. Speaker.

The Speaker: The hon. Minister of Revenue.

Mr. Melchin: Thank you, Mr. Speaker. I'd like to take the opportunity today to introduce to you and to members of this Assembly two outstanding individuals from Calgary that I've the opportunity of meeting with, Mr. John Merrifield and Mr. Jim Wolfe from SAP Canada. If they would stand and receive the warm welcome of the Assembly.

head: Oral Question Period

Access to Crown Land

Dr. Nicol: Mr. Speaker, the Premier said yesterday with regard to Bill 49, "It was a case of the legislation getting out ahead of the consultation process." To the Premier: does your government have time before session ends in a few days to consult all the chiefs of the area to get their buy-in for Bill 49?

Mr. Klein: Mr. Speaker, I don't know about a buy-in, and certainly the Minister of Aboriginal Affairs and Northern Development and the Minister of Sustainable Resource Development met with some, not all, of the chiefs today – as I understand, one chief boycotted the meeting – to try and explain the intention of Bill 49. I would like to point out that Bill 49 is not intended to resolve the long-standing conflict between developers and aboriginal people over access to public lands. There is a separate consultation process that is now under way to resolve this issue, and that process has been led by the Minister of Aboriginal Affairs and Northern Development and involves six other ministers.

Bill 49 relates to this issue in only one specific way: it reinforces already existing laws against illegal activities on public lands. The bill reiterates that blockades and the charging or accepting of unauthorized access fees on public lands are illegal.

And they are illegal, Mr. Speaker.

I would remind the leader of the Liberal opposition that on February 9 he was quoted as saying that the government doesn't have the courage to do what they have to do: enforce the law. Well, that's exactly what Bill 49 does. Nothing more, nothing less.

1:40

Dr. Nicol: Mr. Speaker, Bill 49 only enforces half the law.

The Speaker: Hon. leader, please. We're now in third reading stage of Bill 49. The purpose of question period is not to debate the bill. If there are policy questions, proceed.

Dr. Nicol: Just clarifying what I said, sir.

It is the aboriginal affairs minister's job to consult with the First Nations. Why were the First Nations not brought in and truly consulted on Bill 49 before it was introduced in the House?

Mr. Klein: Mr. Speaker, I alluded to that yesterday, and I said that perhaps they should have been involved in those consultations relative to the legislation. It doesn't change the fact that the legislation will go ahead, because it speaks to a matter of the law and the matter of the measures that need to be taken to make sure that the law is upheld. As I explained before, there is a separate consultation process now under way, and that process, as I understand, will continue.

I will have the Minister of Aboriginal Affairs and Northern Development explain more relative to the process.

Ms Calahasen: Mr. Speaker, the process on consultation, as I've indicated in this House, is to be able to work with the First Nations

and deal with a process for us to be able to identify how we can look at potential infringement and what would happen to aboriginal and treaty rights. We need to continue to do that, and that's very important.

On the issue of Bill 49 I'm sure my colleague from Sustainable Resource Development would like to discuss that further in terms of the recommendation that was brought forward.

The Speaker: I'm going to repeat what I just finished saying. We've now dealt with Bill 49 in first reading, second reading, committee, and it's on the Order Paper for third reading. We'll discuss process but not the bill.

Dr. Nicol: Mr. Speaker, to the minister of aboriginal affairs: given that \$6 million was to be spent, can she outline the process that she went through in consulting with the First Nations prior to the development of the bill and the introduction of that bill in this House?

Ms Calahasen: Well, Mr. Speaker, so many times I've talked about the whole issue of what we're doing on consultation, and obviously there is some misinformation and misunderstanding as to what's happening. The consultation initiative is to be able to deal with the various ministries who would come to the table to be able to develop guidelines and policies relative to how we work with First Nations on the development of this where it could potentially impact the First Nations' aboriginal rights and treaty rights. That's basically what we're doing. That's a separate process. That is dealing with that issue on a larger scale.

In terms of the other process, we are working on the contractor issue and the First Nations. First Nations wanted to get on the page in terms of economic development. We heard their concerns, and we know that we have to be able to deal with that issue and ensure that as we move forward, we continue to work with them on these issues. So, Mr. Speaker, we have some information that'll be coming out later on this afternoon.

Dr. Nicol: Mr. Speaker, Motion 01-11-28-03, passed by Treaty 8 First Nations of Alberta: "To reject Bill 49 in its entirety and further that the Chiefs Committee appointed develop an action plan for Treaty 8 (Alberta) to oppose Bill 49." This was moved by Chief Waquan and seconded by Chief Meneen and carried unanimously by their assembly. To the Premier: is it the policy of the Premier and of government still to pass this bill when he knows that Treaty 8 chiefs are completely opposed to this bill?

Mr. Klein: Mr. Speaker, I'll have the hon. minister who introduced Bill 49 speak to it, if you'll allow him, but, as I said, that bill is not intended to resolve the long-standing conflict between developers and aboriginal people over access to public lands. It is a bill to ensure that the law is upheld relative to enforcing already existing laws against illegal activity on public lands.

Mr. Speaker, relative to the motion passed by the chiefs, I asked the Minister of Aboriginal Affairs and Northern Development specifically—specifically—what is the problem with the legislation? Once I know—and if one of the chiefs or all of them would write me a note and tell me specifically, absolutely specifically what they object to—then perhaps we can deal with it, but according to the minister there were no specifics.

Dr. Nicol: Then to the Premier: will you pull the bill and meet with the chiefs that are in the gallery in this House today so that they can give you their understanding of what is needed to make this work?

The Speaker: Hon. members, we have a constitutional difficulty with that question. The bill is the property of the House. No individual can pull anything. The House must now make a decision on this bill.

Mr. Klein: Well, after your dissertation, Mr. Speaker, I don't know how to answer that question. I'll defer to the hon. minister.

Mr. Cardinal: Mr. Speaker, in relation to the process and just for clarification here, the bill is the law in general application. We manage over a hundred million acres of public land in Alberta. Five million of that is leased to various users even in the white area. Of course, there's a multi multi amount of users across the province. Therefore, that is why we followed the process we did.

Dr. Nicol: In a process of rebuilding the trust of First Nations, will the Premier meet with the chiefs in the gallery after question period?

Mr. Klein: Mr. Speaker, I haven't had a formal request, and I'm not considering the request or the demand by the leader of the Liberal opposition to meet with the chiefs as a formal request. If they write me a note, I'll take it under consideration.

Mr. Speaker, I would like to say that this is not an issue that relates to aboriginal people or First Nations people only. It is an issue, as the hon. minister pointed out, that is provincewide. There are instances, well, near the hon. leader of the Liberal opposition's own riding, where people say: well, you can come onto public land, if it's leased, if you, for instance, rent a cot in my granary or if you pay me to guide you. Well, that is illegal, because the law clearly states that access to public land shall be free access to public land. That is respecting the traditional rights of aboriginal people to hunt and fish on those lands, and we respect that. There are instances in southern Alberta, in central Alberta, and in numerous nonaboriginal areas where this practice is taking place, and all we want to do is introduce legislation to make sure that the law is enforced.

The Speaker: Third Official Opposition main question. The hon. Member for Edmonton-Gold Bar.

Premier's Trip to the United Kingdom

Mr. MacDonald: Thank you, Mr. Speaker. It is interesting to observe just who exactly this government wants to meet with. The Premier, in discussing his travel plans, announced that he would be meeting with representatives of Centrica, the parent company of Direct Energy. However, yesterday during question period the Premier said: "I didn't meet with Centrica in London. I ran into a representative of the company and exchanged a few words with him." My questions are to the Premier. Will the Premier disclose where he just happened to run into the Centrica representative in London and what the full extent of their conversation was?

1:50

Mr. Klein: I'd be very, very happy to, Mr. Speaker. The extent of our conversation was very, very brief indeed. I ran into the representative of Centrica at a joint dinner meeting of the chamber of commerce. Or maybe it was a luncheon meeting. I'm not quite sure. I know that there was food, and I know that it was a joint meeting of the Canada-U.K. Chamber of Commerce. The representative from Centrica was there.

The conversation lasted about 30 seconds to 45 seconds, maybe up to a minute; I don't know for sure. After "Hi. How are you? Centrica? Oh, I know Centrica, yes. You're involved in Alberta.

We look forward to your participation. I understand that you have some matters that are now before the Alberta Energy and Utilities Board. I hope that they can be sorted out as quickly as possible," his reply was, "Yes, I do hope that they can be sorted out as soon as possible." That was the end of the conversation.

Mr. MacDonald: Mr. Speaker, again to the Premier: given that yesterday the Premier said that "they're hopeful of having their issue vis-à-vis Direct Energy resolved before the Energy and Utilities Board very shortly," does the Premier not even know when he's being lobbied?

Mr. Klein: Mr. Speaker, I don't know if the gentleman gave me his card or not, but in no way was I being lobbied. In no way whatsoever was I being lobbied. That was the extent of the conversation. If I can track down the gentleman, I will gladly give the hon. member his name so he can ask the person himself if, in fact, that person lobbied me. It simply didn't happen.

Mr. MacDonald: Again, Mr. Speaker, to the Premier: when will this government stop interfering with the decision-making process of the Alberta Energy and Utilities Board?

Mr. Klein: Mr. Speaker, I don't know of any instance where this government has interfered, actually intervened, with the process of the board.

Relative to the Centrica issue, I have never nor will I ever send a letter, make a phone call, discuss this matter with any member or any staff person of the Alberta Energy and Utilities Board. It would be improper, and I certainly wouldn't do that. I don't know if the member of the opposition would do that, but I wouldn't do it.

The Speaker: The hon. Member for Edmonton-Highlands, followed by the hon. Member for Lacombe-Stettler.

First Nations Economic Development

Mr. Mason: Thank you very much, Mr. Speaker. For many years First Nations people have been struggling to obtain independence in economic development, and the government has twiddled its thumbs. The Minister of Aboriginal Affairs and Northern Development has clearly dropped the ball in terms of consolidation with respect to Treaty 8 people on the legislation which is currently before this House. My question is to the Premier. Why is it, Mr. Premier, that the economic development concerns of First Nations people can sit on the back burner for years and years and the government can move very, very quickly and by stealth to take away their rights through a piece of legislation?

Mr. Klein: Mr. Speaker, I take great exception to that statement. I take exception to that statement because we have in this caucus, in this Assembly, two aboriginal members: the Minister of Aboriginal Affairs and Northern Development and the Minister of Sustainable Resource Development. [interjection] No. One Métis and one treaty. [interjections] Four Métis and one adopted.

Mr. Speaker, having said that, I'm sure that the ND and the Liberal opposition would agree that no one ought to be able to break the law, whether that person is white or a member of First Nations or of any other descent. No one in Canada should be allowed to break the law, and Bill 49 simply reinforces the right to uphold the

Mr. Speaker, relative to the consultation and to speak to the issue that the hon. member raises, first of all, the consultation process quite clearly encourages the Canadian Association of Petroleum Producers and other people who do work on aboriginal traditional lands to ensure that its members utilize fair contracting procedures so as to provide a level playing field for aboriginal and nonaboriginal contractors seeking work. That also applies to employment.

We resist suggestions that an attempt be made to influence the manner – and this speaks to the issue that was brought up previously – in which the Energy and Utilities Board deals with First Nations issues but indicate that industry is entitled to contact the board directly with its concerns and that Alberta differentiate between the understandable concerns of contractors related to fees and blockades and the less legitimate complaints about the loss of market share to First Nations. I think that's very important. As a result of rational . . .

The Speaker: Hon. Premier, I think we're getting into a debate on the bill here, on which we've arrived at reading three now. I'm going to repeat that for the third time.

The hon, member.

Mr. Mason: Thank you very much, Mr. Speaker. The question really is this: why is the government prepared to move very quickly in strengthening the law yet has dragged its feet for years and years in respect to the concerns of the aboriginal people and their economic development?

Mr. Klein: Mr. Speaker, that is not true. That is absolutely untrue. This member should stand up and apologize. There is no government that has done more for aboriginal people than this government. That is so untrue, so false. He should be ashamed of himself. He should apologize to this House and to the people of this province.

The Speaker: The hon. member.

Mr. Mason: Thank you very much, Mr. Speaker. Again to the Premier: why is it, then, that aboriginal people and Treaty 8 people are here? Not to observe what the New Democrat caucus is saying but what your government is doing when your government sells them out.

Mr. Klein: Mr. Speaker, I just received a note signed by five of the chiefs requesting a meeting as soon as question period is over or immediately after the Assembly is complete for the day. I will meet with the chiefs maybe not today but at some future time in the very near future. I have commitments for the rest of the day, and I'm sure that members of the First Nations have commitments. So I just can't drop everything and have a meeting, but I will pass this on to my appointment secretary. She will contact one of the chiefs, and we will set an appropriate time for a meeting. That's not a problem.

2:00 Internet Luring

Mrs. Gordon: Mr. Speaker, I'm very troubled by recent reports of two young girls who were lured over the Internet into potentially dangerous and harmful situations. In the case of the young lady from Lacombe, she flew all the way to Toronto on a ticket purchased by a Toronto male. Fortunately, this played out well as there was a great deal of assistance between police forces and officers that led to a successful conclusion. The male in question was apprehended immediately upon the girl's disembarkment at Pearson international airport. Both girls in question were only 15 years old, yet no charges were laid. To the Minister of Justice: can the minister explain what he has done to ensure that Canadian laws protect children in these

situations and further explain why charges could not be laid against the males allegedly involved?

The Speaker: The hon. Minister of Justice and Attorney General on the first section of the question. The second one is not within the purview of the House.

Mr. Hancock: Thank you, Mr. Speaker. As the House will know, because I've taken every opportunity I can to talk about this issue, we in Alberta have taken a very strong position about the protection of our children and a very strong position with respect to federal laws that need to be changed with respect to protection of children from child pornography and to increase the age of consent. In fact, this House passed a resolution several years ago, unanimously I believe, encouraging the federal government to raise the age of consent.

Currently the age of consent for sexual activity with a person is 14 years of age. It would send a clear and unambiguous message that children are not appropriate sexual partners where significant age discrepancy exists by raising that to 16 years of age. Now, this comes into play with respect to Internet luring because the sections of the code with respect to age and consent for sexual activity are the same sections of the code that are relied on with respect to the Internet luring changes that the federal government is proposing. Strengthening the Internet luring questions will only go so far. We also need to strengthen the law with respect to the age of consent.

With respect to the specific case that the member mentioned, I can't speculate as to what information or evidence the police had with respect to laying a charge, but I can say that it's safe to say that children in chat rooms are being preyed upon by men who would not otherwise have access to them. When a 15 year old shows up at a meeting, consent is not the real issue. The child will be impressed or intimidated into following through with promises made.

So raising the age of consent to 16 would have protected both of the girls in this situation, raising the age to 16 would have put more teeth into the Internet luring provisions, which the federal government is proposing for the Criminal Code, and raising the age of consent would have been essential to allowing a prosecution of this type of offence.

Mrs. Gordon: My next question, Mr. Speaker, is to the Solicitor General. If the police had had timely access to passenger lists, apprehension of one of the young ladies could have taken place before departure at the Edmonton International Airport. Why can't the police intervene earlier by accessing passenger manifests without a court order when time is of the essence and lives could be at stake?

The Speaker: The hon. minister.

Mrs. Forsyth: Thank you, Mr. Speaker. My understanding is that the passenger in this case, the young person, had a valid ticket, and she had not committed a crime under existing law before boarding the aircraft. That doesn't necessarily mean that the person that lured her hadn't committed a crime. Under federal freedom of information legislation police do not have access to the passenger list. I also understand that in this case in question the police were able to determine through other methods that the young person was aboard the plane and were able to safely apprehend her and return her. Airlines and police work in co-operation during occasions that might be deemed to be an emergency or an urgent situation, as they did in this particular case.

Mr. Speaker, I also understand that the parents in this case were so pleased with the RCMP's quick work that they gave the Edmon-

ton International Airport RCMP detachment a plaque of appreciation. The system worked well in this case, and the police need to be commended for their hard work.

The Speaker: The hon. member?

Southeast Calgary Hospital

Dr. Taft: Mr. Speaker, in 1998 the Premier said of southeast Calgary, "Clearly, [it] has been identified as one of the fastest growing areas, and that's where the next hospital should be built." Well, it's five years later, and this government hasn't provided a penny for a new hospital in southeast Calgary. In fact, the Calgary health region is having to turn to private funds to build the hospital. My questions are to the Premier. Why has the Premier broken his word to the people of Calgary by not providing the funds necessary for a new hospital?

Mr. Klein: That is not quite true, Mr. Speaker. Really, we appoint regional health authorities to advise us on the health needs in a particular region. In this particular case, we are waiting for a formal request from the RHA. I have had informal meetings with the president of the RHA, Jack Davis, relative to the approach that they would like to take; that is, that the RHA would like to take vis-à-vis a new hospital in the southeast or the south. Mr. Davis indicates to me that they, being the RHA, would like to pursue the P3 notion relative to the construction of a hospital. There has never, never, never been a formal request for funds to build a new hospital.

The Speaker: The hon. member.

Dr. Taft: Thank you, Mr. Speaker. Well, given the expected \$3.4 billion surplus, would the province fund a new southeast Calgary hospital with public funds if they received such a request?

Mr. Klein: That is purely hypothetical, Mr. Speaker. We would have to examine it. It would have to go through the process of Agenda and Priorities, on to the standing policy committee, then to Treasury Board, then to cabinet, then to caucus. It would have to have a thorough vetting. We would have to look at the project in terms of our overall financing requirements. We would have to have discussions with the RHA relative to the scope and the size of the facility.

So there are many, many questions that need to be answered, and only the government can answer those questions. It's not as simple as the opposition would have everyone believe it is by saying: will you now commit, you know, a half billion dollars or so to a hospital? I mean, if that's the way that they propose to conduct government, it's no wonder that they only have seven members.

Dr. Taft: Will the Premier assure Calgarians that the owners and operators of any new southeast Calgary hospital will not be foreign investors?

Mr. Klein: Mr. Speaker, again, that is so hypothetical, so far down the road. We haven't received any proposals of any form. Admittedly, there have been informal discussions relative to the need for a hospital in southeast Calgary, and I agree with assertions that there is a need for the hospital. I'm sure that MLAs who serve that area agree that there is a need for a medical facility, a hospital in that area, but as to the design, who will finance it, whether it's publicly financed or whether it's alternatively financed privately, those details haven't been worked out, and I can't comment on whether or not the RHA would exclude foreign investors.

Mr. Lund: Mr. Speaker, the member indicated that we hadn't done anything relative to the hospital in south Calgary. The fact is that we have allowed the assembly of the property in order to accommodate this facility, and we are currently in the process of assisting with the scope of the project as it relates to the programs that will be operated out of that hospital. So to ever indicate that, in fact, there's been no response from government is absolutely false.

The Speaker: The hon. Member for Drayton Valley-Calmar, followed by the hon. Member for Edmonton-Centre.

2:10 Diversified Livestock Producers

Rev. Abbott: Thank you, Mr. Speaker. Many of my constituents who own and operate diversified livestock operations are very concerned that they were not included when the compensation programs for cattle producers were developed even though diversified livestock operations were also being hurt by the border closure. My question is for the Minister of Agriculture, Food and Rural Development. What kind of compensation was available for diversified livestock producers?

Mrs. McClellan: Mr. Speaker, let me clarify for the hon. member. Diversified livestock operators were eligible for each and every program that was related to BSE slaughter. They were included in the Canada/Alberta slaughter program. They were involved in the fed cattle competitive bid program, and in fact because of the necessity of waiting for slaughter capacity, we extended a slaughter program for those diversified livestock operators. So they have had very equitable treatment since May 20.

The Speaker: The hon. member.

Rev. Abbott: Thank you, Mr. Speaker. My only supplemental for the same minister is: how does the minister's recent announcement of an Alberta mature animal transition program affect diversified livestock producers?

Mrs. McClellan: Mr. Speaker, because all ruminants were affected by the May 20 BSE discovery in Alberta and all ruminants do not have the same type of operation, we have had to work with each industry, whether it was elk, deer, llama, alpaca, goats, sheep, as well as cattle, to ensure that whatever programs we put in place to support them work for them.

Because bison and cattle have a fairer slaughter market, they will be included under slaughter. Because elk, deer, and some of the others do not have that type of meat market developed, in consultation with them we have developed a feed program or something that suits their activity better. We established very quickly, as well, an other-ruminant roundtable, and each one of these groups has a member on that, and they assess this on a weekly basis and tell us whether it's working or not.

So, Mr. Speaker, we think we're well on the right track with diversified livestock in dealing with BSE.

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

Homeless Shelters

Ms Blakeman: Thank you, Mr. Speaker. Last month the Minister of Seniors proposed charging homeless people a fee of up to a third of their income, if they have one, to stay at homeless shelters to foster responsibility. The proposal suggests that the money would

be saved for a client in order to help pay for damage deposits on apartments. My questions today are to the Minister of Seniors. How does the minister see this plan helping people with mental illness or long-term health or addiction problems? Do they magically receive budgeting and coping skills they didn't have before?

Mr. Woloshyn: Well, Mr. Speaker, she raises two very different issues. I was referring to people who have an income who use the shelters as an interim residence, if you will. In the aftermath of the publicity surrounding it, it's very interesting to find that some shelters even currently charge for what I was suggesting. The next step is for these shelters to work with the individuals that are paying to have the transition to more permanent housing by helping with the damage deposit and first month's rent. So that's something that perhaps we'll be continuing to see further with the shelter operators.

With respect to folks with other kinds of problems, there are agencies that work with them, and, yes, they are a concern, and at some point we'll be trying to determine if there are better places for them to lodge and to live permanently. Through our Canada affordable housing program, Mr. Speaker, we've already opened facilities for people who have need for supports across this province, and we'll be opening more of them. So I think it's a matter not without cause that Alberta is being looked upon across the country as a leader in providing housing, a leader in the new program that is going forward with the Canada affordable housing program to the extent that if we choose, we can sign on for an additional four years after this particular four-year period is over.

The Speaker: The hon. member.

Ms Blakeman: Thank you, Mr. Speaker. Again to the same minister: can the minister table or show us what studies he consulted that would make a reasonable person believe that charging a homeless person for shelter would create responsibility? What studies did he look at?

Mr. Woloshyn: I would turn the question around and ask the hon. member if she is aware of the different kinds of classifications of people who occupy homeless shelters. My understanding is that there are some folks in there who can stay in a shelter for up to two years. There are other folks who are in there for a shorter period of time. [interjection] A little longer, I'm told from the other side. The people who are in the news the most are the folks who need overnight, shall we say, short-term, emergency kinds of locations.

This year, Mr. Speaker, we have been tracking the use of shelters on a daily basis. I'm very pleased to announce that on a nightly basis the Herb Jamieson shelter in Edmonton has vacancies. We are short of spots for folks who are inebriated, and that's something that we're working on currently with the Hope Mission in Edmonton. In Calgary we have made arrangements with the Calgary Drop-In Centre for an additional possible 200 emergency beds until the end of March, and I'm pleased to say there that about 50 of those beds on the average are not occupied. In addition, the province operates the Sunalta shelter, which has a capacity of 150 emergency beds, 50 of which on the average are not occupied. So currently, if things remain the same, we have the situation very well in hand in both Edmonton and Calgary.

The Speaker: The hon. member.

Ms Blakeman: Thank you very much, Mr. Speaker. To the same minister: the minister purportedly apologized for making public prematurely this idea of charging the homeless fees, but is this idea still being worked on behind closed doors?

Mr. Woloshyn: Mr. Speaker, as the member knows, anytime that she has a question to ask me, I always answer it, and there's nothing going on behind closed doors. The issue came forward when I answered a question posed to me in Calgary at the opening of a shelter, the Ward shelter, and I answered the reporter quite honestly, saying that that was under consideration.

Yes, we will be discussing the viability of it with shelter operators. I might point out, Mr. Speaker, that if any shelter operators do not subscribe to it, it cannot be imposed on them. They are the key to making it work. The government does not get involved directly with their operations. I'm very sure that we'll see as the days go by that the value of this suggestion will be recognized and that we will have some buy-in from the operators across the province.

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

Grain Marketing

Mr. Jacobs: Thank you, Mr. Speaker. Last fall the Alberta Wheat and Barley Test Market Act was passed into Alberta law. This act allows the minister of agriculture to enter into an agreement with either the Canadian Wheat Board or the federal government to allow a test open market for wheat and barley in Alberta. Many of my constituents were excited by the passage of this law as they feel they deserve the opportunity to sell their wheat and barley to any buyer, including the Canadian Wheat Board. Their excitement is waning, however, as the marketing situation hasn't changed in Alberta over the past year. My question to the Premier: since last fall what has the province done to support and assist Alberta's grain producers in their efforts to convince the Canadian Wheat Board that they deserve to have marketing choice just like farmers in Ontario?

Mr. Klein: We're working on the test market, of course. I don't know the state of our legislation. The hon. Member for Calgary-Mountain View is going to introduce legislation, Mr. Speaker, that probably will be challenged by the federal government, which seems to favour, as the NDs do, monopolies and seems to discount and ignore democracy.

2:20

This legislation will say, basically, what the majority of Alberta farmers have been saying, that they want choice. They want choice to market their barley and wheat either through the Canadian Wheat Board or privately contracting that wheat or barley. That's what the legislation will say fundamentally, but we're sure that the federal government will say: "You can't have choice. My gosh; that is democratic. That's un-Canadian. My goodness; don't you realize that this was brought in under the War Measures Act prior to the Second World War? This legislation is needed. My God; we have built a huge bureaucracy to support it."

The Speaker: Once again, I'm not really sure that the purpose of question period is to debate legislation that still has not been introduced.

The hon. member.

Mr. Jacobs: Thank you, Mr. Speaker. My next question is to the Minister of Agriculture, Food and Rural Development. Given the debate that has evolved around the issue of choice, how can this government be sure that producers in Alberta want marketing choice?

Mrs. McClellan: Well, Mr. Speaker, we had a recent survey that shows that 68 percent of barley growers prefer choice, 64 percent of

wheat growers prefer choice, and only 25 percent would support a mandatory marketing system. That's ofno surprise to us in Alberta. Producers here believe that they are quite capable of making all of the decisions on the investment in their farm, including marketing.

Mr. Speaker, we hear trumpeted by the Canadian Wheat Board that it is a producer-driven, producer-elected organization. Well, one should examine the boundaries for the electoral districts, and they would find that many of them spread across into Saskatchewan and are not truly representative of Alberta. The second thing that they should note is that many farmers in this province, out of frustration with this monopoly, have quit growing board grains. That is a shame because we grow some of the best-quality wheat and barley in the world right here in this province.

I will tell the hon. member this: this government is elected by Albertans, only Albertans, and we'll fight for Albertans on this issue.

The Speaker: The hon. member.

Mr. Jacobs: Thank you, Mr. Speaker. A final question to the same minister: now that the government has a clear mandate, what steps are being taken to establish marketing choice in Alberta?

Mrs. McClellan: Mr. Speaker, we would like to take the test market, which was passed in legislation by this government last session, to Ottawa, to the minister responsible, for a final result. We've worked hard to make sure that this is something very simple, very clear that they could clearly respond to with a yes, preferably. However, it seems to be a bit dark in Ottawa right now to deal with this, and I understand that. But I have requested a meeting with Minister Goodale, who is still responsible for the Canadian Wheat Board, and have suggested through my staff that I would meet him in Saskatchewan – I'm very close to that – and try and present our case in a way such that they can understand that this is not against the Wheat Board, that this is not about the demise of the Wheat Board, that it is about offering the fundamental choice to Alberta producers that producers in Ontario have today.

The Speaker: The hon. Member for Edmonton-Ellerslie, followed by the hon. Member for Edmonton-Strathcona.

Old-growth Forests

Ms Carlson: Thank you, Mr. Speaker. The preservation of old-growth forests has limited economic value, but these forests do make Albertans rich, rich in natural heritage and the knowledge that we are preserving a rare and beautiful type of ecosystem. This government's policies reflect only Albertans' interest in these forests' economic value, and this has to change. My question to the Minister of Sustainable Resource Development: why does this minister maintain policies that encourage the destruction of old-growth forests rather than their preservation?

Mr. Cardinal: Mr. Speaker, by the way the question is framed, I don't believe the member would know what an old forest looks like anyway, but that's beside the point. I do live in northern Alberta. As an example, my constituency covers all the way to the Northwest Territories and borders Saskatchewan. It's over 100,000 square kilometres.

Dr. Taylor: How many?

Mr. Cardinal: Over a hundred thousand square kilometres, Mr. Speaker. And it is forested. Sixty percent of our province is forested

and very well managed. We have one of the best-managed forest operations in North America. We have lots to be proud about rather than trying to run the system down.

Ms Carlson: Mr. Speaker, then when is this minister going to implement the Alberta forest conservation strategy, a progressive forest management vision that was agreed to by industry and environmentalists but which this government simply tossed away?

The Speaker: The hon. minister.

Mr. Cardinal: Yes, Mr. Speaker. It's something we're definitely working on. There was one clause in that particular area that I wasn't in agreement with, and that particular clause, I believe, has been changed now. When that happens, we'll go through the process.

Ms Carlson: Mr. Speaker, would the minister at least move this province toward natural disturbance model forest harvesting, whereby old-growth forest is maintained rather than decimated?

Mr. Cardinal: Mr. Speaker, we do have our forest management agreements in Alberta, we have our quota systems, we have our commercial timber permits, and then we have our private woodlots, which provide a lot of the wood in Alberta. In relation to old-growth forest – in fact, the other terminology that's used, of course, is the Canadian boreal initiative, which is no doubt part of what the member is questioning in relation to old-growth forests. In our forests, I would say, there are some areas where trees may be a hundred years old, but in general we have a lot of young forests also, which are very, very healthy.

When the FMA holders, for an example, do a plan – it's about a 20-year plan – they have to develop a 10-year plan of how the area is going to be developed. Then they have a five-year operating plan, and then they have an annual operating plan, which they have to take to the public to develop. So anyone that's interested, including this member, could participate in any of the public meetings in relation to how our forests should be planned. This member is welcome to come to northern Alberta and enjoy the scenery there and see how well our forests are managed.

The Speaker: Hon. members, in 30 seconds from now I'll call upon the first of a number of members to participate, but in the interim might we revert briefly to Introduction of Guests?

[Unanimous consent granted]

head: Introduction of Guests

(reversion)

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

Mr. Lord: Thank you, Mr. Speaker. It's my pleasure to rise today to introduce to you and through you to all members of the Assembly a very old friend of mine – well, he's not that old, actually – well-known local musician Action Jackson, Lee Elwood Mayes. He's seated in the public gallery, and along with him is his much better half, I might add, Jacquie Chastellaine, travel agent extraordinaire. Along with them are Lee's nephew, Dallas James Mayes, and daughter, Raimi Li-Anne Mayes. I'd ask that they rise and receive the warm traditional welcome of the Assembly.

The Speaker: Hon. Minister of Infrastructure, your guests are now here

Mr. Lund: Thank you, Mr. Speaker. I did introduce my guests earlier, but they weren't in the House, so I want to take this opportunity to introduce to you and through you to members of the Assembly some 55 students from Will Sinclair high school in Rocky Mountain House. They're accompanied by three teachers and a helper. I would ask them to rise and receive the cordial welcome of the Assembly.

2:30head: Members' Statements

The Speaker: The hon. Member for Cardston-Taber-Warner.

2001 Southern Alberta Water Sharing Group

Mr. Jacobs: Thank you, Mr. Speaker. It is my pleasure to rise in this Assembly today to recognize an outstanding group in my constituency that has been presented with a prestigious award. The Irrigation Association has granted the distinguished national water and energy conservation award to the 2001 Southern Alberta Water Sharing Group. This group includes the St. Mary irrigation district and is also comprised of the Aetna, Taber, Raymond, Magrath, and Leavitt irrigation districts.

These districts were presented with their award at the Irrigation Association's 24th annual international irrigation show in San Diego on November 19. The awards were established in 1982 to honour extraordinary achievements in the conservation of water and energy relating to irrigation procedures, equipment, methods, and techniques.

Mr. Speaker, the 2001 Southern Alberta Water Sharing Group was formed to manage water as effectively and fairly as possible. In the winter, spring, and summer of 2001 southern Alberta experienced abnormally warm and dry weather conditions. Despite the area's intensive irrigation infrastructure the below-normal precipitation from previous years had made the situation critical. By 2001 the water supply had diminished to cover only 60 percent of the rights of its licence holders. With this water shortage the districts and licensees acknowledged that if they shared the water supply, they could remedy the situation and no one party would be severely hurt.

The irrigation districts worked closely with Alberta Environment staff to implement a mutually agreed upon water-sharing contract. This unprecedented co-operation among irrigation districts, farmers, livestock operations, recreational facilities, towns, villages, industry, as well as local and provincial governments resulted in a system that supported the whole community rather than just special interests.

Mr. Speaker, I am proud to recognize the Southern Alberta Water Sharing Group, and I would like to extend my sincere congratulations on the granting of their esteemed award.

Thank you.

The Speaker: The hon. Member for Edmonton-Castle Downs.

Education System

Mr. Lukaszuk: Thank you. Fabulous things are happening in Alberta's education system which definitely are worthy of mentioning in this House. Even more so, these developments, I suggest to you, should grace the front pages of Alberta's newspapers as Albertans should share in this news with pride. Namely, Mr. Speaker, as you already know, the Edmonton public school board has been recently highlighted in a book entitled *Making Schools Work* as the best administered school board with the best educational outcomes in all of North America. That in itself, that achievement, is worth boasting about.

However, Mr. Speaker, the good story does not end here. Mr. Arnold Schwarzenegger, the newly elected governor of the most

populous state in the United States, California, has just appointed his Secretary for Education, Mr. Dick Riordan. The ex-mayor of Los Angeles will now be heading California's enormous and complex school system. As one of his first undertakings in office Mr. Riordan will be visiting Edmonton on December 8 of this year to better apprise himself of the excellence of the Edmonton public school board. During his stay in our city Mr. Riordan will meet with Superintendent McBeath and will visit several of our schools, including Jasper Place high school. It is the secretary's intention to import some of this excellence to his home state.

Mr. Speaker, it is too often that we focus on the negative. Obviously, to the outside world our learning system continues to be a shining example of superiority. This distinction is not a product of luck. It is a product of the superintendent's leadership, the school board's vision, the principals' educational and administrative skills, and perhaps most importantly it is a product of professional, skilled, and diligent teachers.

Mr. Mason: What about the Learning minister?

Mr. Lukaszuk: The Member for Edmonton-Highlands is heckling because he does not want to hear good news.

As a result of their combined efforts our little and young Albertans are benefiting from the best learning environment on this continent. Now, Mr. Speaker, this is what I proudly call Alberta's advantage. Also, the Minister of Learning and all of his employees in the department should be credited for this accomplishment.

Now, this recognition would tempt anyone to say, "We did it," but I know that we will not rest on this. With the implementation of the recommendations of the Learning report, Mr. Speaker, the best is yet to come.

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

Seniors' Programs

Ms Blakeman: Thank you very much, Mr. Speaker. Seniors feel that they've lost a lot in 10 years with this government, and they have. This government has slashed funding to numerous seniors' programs and cut others altogether: seniors' exemption from health care premiums regardless of income or assets, cut; universal funding for dental care, dentures, and eyeglasses, cut; education property tax exemption up to \$1,000, slashed; financial support for building affordable seniors' housing, slashed; financial support for low-income seniors for rent payments, slashed; grants up to \$4,000 for home repair and improvement, cut. And that's just to name a few.

But seniors aren't going to take it anymore. They've mobilized through groups like the Coalition of Seniors Advocates, COSA, in Calgary and Seniors United Now, SUN, in Edmonton, and the Canadian Association of Retired Persons, CARP, has opened an Edmonton branch. Seniors want the same benefits they enjoyed before this government started paying down the debt at a record pace using money from their pockets. Middle-income seniors are being impoverished by this government.

The Alberta Liberal opposition believes that seniors make a valuable contribution to the quality of life in Alberta and deserve our respect, and that's why we've developed an alternative to the slashing and cutting of programs that has devastated Alberta seniors. The Alberta Liberal opposition wants to see universal dental and optical benefits for seniors reinstated, health care premiums eliminated for seniors and all Albertans, people in private health care facilities and homes included within the Protection for Persons in Care Act or similar legislation, consistent capital funding provided

for seniors' lodges, and a body set up specifically to investigate complaints of elder abuse, among others. We believe in an alternative to the slash-and-cut swordplay this government has brought to seniors' programs.

Thank you very much.

The Speaker: The hon. Member for Lac La Biche-St. Paul.

Persons with Developmental Disabilities

Mr. Danyluk: Thank you very much, Mr. Speaker. In October of this year a three-member delegation from Japan visited our province. This delegation is part of a four-year mission to learn about the services and supports for adults with developmental disabilities. Their review began by undertaking an environmental scan of services and supports from around the world. One outcome of this scan was the identification of leading-edge work being done through the ministry with the support and assistance of persons with developmental disabilities provincial and regional boards right here in Alberta.

The delegation came here to learn about new and progressive community inclusion models for adults with disabilities. The delegates commented that Alberta has, and I quote, the most excellent system in the world. They were extremely impressed with the nature of support for rural communities that they saw in northeastern Alberta, which they considered to be exceptional, superb, and amazing.

The delegation heard a presentation from Daniel Desjardin, a young man with Down's syndrome who is enrolled at Blue Quills College and working in the community. The delegation also heard presentations about postsecondary options, employment, and community living opportunities.

Mr. Speaker, it is very gratifying to know that Alberta is recognized internationally as a leader in the area of supporting individuals with disabilities in their local community and building inclusive communities.

Thank you.

head: Presenting Petitions

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

Dr. Pannu: Thank you, Mr. Speaker. I rise to table a petition signed by 1,267 Albertans petitioning the Legislative Assembly of Alberta to urge the government of Alberta to "support the establishment of the Chinchaga Wildemess as a legislated protected area."

Thank you, Mr. Speaker.

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

Mr. Mason: Thank you very much, Mr. Speaker. I'm presenting a petition signed by 694 Albertans petitioning the Legislative Assembly to urge the government of Alberta to "return to a regulated electricity system, reduce power bills and develop a program to assist Albertans in improving energy efficiency."

2:40 head: Introduction of Bills

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

Bill 56 Alberta Court of Justice Act

Mr. Hancock: Thank you, Mr. Speaker. I request leave to introduce Bill 56, the Alberta Court of Justice Act.

This bill provides the legislative framework for the creation of a unified family court with jurisdiction over all family law and youth matters in Alberta. The bill is being introduced as a starting point for further discussion on the model and the way the model would be enacted with our stakeholders.

The unified family court created by the legislation would greatly improve family law services to Albertans by providing a single forum for resolving disputes, integrated services, specialized judges, and simplified procedures in a new court structure that fosters informality and helpfulness to self-represented litigants. The new court would also offer greater access for all Albertans, regardless of where they live, and would use existing infrastructure, including the current provincial court locations.

[Motion carried; Bill 56 read a first time]

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

Bill 57 Miscellaneous Statutes Amendment Act, 2003 (No. 2)

Mr. Hancock: Thank you, Mr. Speaker. I also beg leave to introduce Bill 57, the Miscellaneous Statutes Amendment Act, 2003 (No. 2).

The bill makes minor changes to 12 pieces of provincial legislation: the Apprenticeship and Industry Training Act, Builders' Lien Act, Cancer Programs Act, Class Proceedings Act, Environmental Protection and Enhancement Act, Forest and Prairie Protection Act, Government Organization Act, Irrigation Districts Act, Judicature Act, Legal Profession Act, Public Sector Pension Plans Act, and Traffic Safety Act.

As is normal with miscellaneous statutes, the contents have been circulated to the two opposition caucuses, and the contents of the bill reflect only those proposed amendments that have been agreed to in advance by all three caucuses.

[Motion carried; Bill 57 read a first time]

head: Tabling Returns and Reports

The Speaker: The hon. Minister of Environment.

Dr. Taylor: Thank you, Mr. Speaker. I rise this afternoon to table copies of Environment's 2002-2003 Compliance Assessment & Enforcement Initiatives annual report. This report highlights the positive program activities that Alberta Environment is taking to ensure that Albertans clearly understand the Environmental Protection and Enhancement Act, how it's implemented and how it's enforced.

This act, Mr. Speaker, is a testament to the proactive people that we have working in Alberta Environment that try and get out there and educate people in regard to the environment and the Environmental Protection and Enhancement Act so that they don't have to clean up messes after it's done. We have a number of good staff involved in this, and I want to congratulate the staff.

The Speaker: The hon. Minister of Government Services.

Mr. Coutts: Thank you, Mr. Speaker. I'mpleased to table today the appropriate number of copies of the 2001 Vital Statistics annual review. This review summarizes all births, deaths, and marriages in Alberta that occurred during 2001.

In addition, Mr. Speaker, I'd also like to table the appropriate number of copies of the 2002-2003 Freedom of Information and Protection of Privacy annual report. Since the Freedom of Information and Protection of Privacy Act took effect eight years ago, our provincial government bodies have handled almost 14,000 requests for information and responded to 92 percent of them within 60 days. Thank you, Mr. Speaker.

The Speaker: The hon. Minister of Human Resources and Employment.

Mr. Dunford: Thank you, Mr. Speaker. I have four tablings today. The first is the 2002 annual report of the Workers' Compensation Board.

The second is the 2002-2003 annual report of the Consulting Engineers of Alberta.

The third is the 2002-2003 annual report of the College of Alberta Professional Foresters.

Lastly, Mr. Speaker, we have the annual report of the Association of Professional Engineers, Geologists and Geophysicists of Alberta, APEGGA.

Mr. Lougheed: Mr. Speaker, I'm pleased to table copies of the 2003 annual report of the Premier's Council on the Status of Persons with Disabilities. It outlines the activities of the council, including the unveiling of the disability strategy last year.

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

Mr. Lord: Thank you, Mr. Speaker. I rise today to table the requisite number of copies of a report listing the new information and resources on the subject of teleworking. It outlines the many benefits to employers, employees, and larger society. The reports are listed on the web site of the Canadian Telework Association and InnoVisions Canada and should be of great interest to many.

Thank you, Mr. Speaker.

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

Mr. McClelland: Thank you, Mr. Speaker. I rise to table the requisite number of copies of a letter from constituent T. Gerling that has to do with the education system.

Thank you.

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

Dr. Nicol: Thank you, Mr. Speaker. I rise today with four tablings. I'd like to start with a petition that wasn't quite in its right form – it missed the part of the public notice – that's from students that wanted to protect the access to advanced education by not having tuition fees quite so high.

My second is a series of 23 letters from a group of students that came up to me after a Remembrance Day service at Wilson middle school in Lethbridge, and they were letters by each of the members of a classroom commenting on their classroom conditions and their wish for a good education.

The third is a letter from Judy Nygaard, an RN who wants to see the nurses have fair access to their negotiations.

Mr. Speaker, the final one is five copies of a program from the Korean Veterans Association. This was a group led by a former member of this House that put on a function in Lethbridge to celebrate the 50th year from the end of the Korean conflict. These

veterans were in effect veterans who didn't have a war. It was a police action until it was finally declared a war, and they've had to fight long and hard to get the recognition as veterans that normally comes to members, but in doing so they created a precedent for others who followed in police actions in our military to be recognized. So on behalf of Mr. Gogo, the former member of the House, I'd like to table these.

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

Ms Carlson: Thank you, Mr. Speaker. I have a number of tablings today. The first is the motion from the Treaty 8 First Nations of Alberta referred to in the Leader of the Official Opposition's question this afternoon. I have the appropriate number of copies of this tabling.

The second is a letter from Peter and Barbara Sherrington, who are very concerned about Fortress Mountain and the Kananaskis area and development there.

The third is from Richard Soley, who is very concerned about the Ghost-Waiparous region in Alberta and wants to make sure that overuse, abuse, lack of enforcement, and parties are stopped.

The next one is also from Richard Soley with regard to the Ghost-Waiparous becoming a dumping ground.

The next one is from Robert and Priscilla Janes, who are very concerned about the commercial development of the Evan-Thomas area in Kananaskis.

Then we have a letter from the Alberta Fish and Game Association with regard to their concerns about the possible infection of wildlife by chronic wasting disease.

Steve Temchuk sends us a letter on the Evan-Thomas PRA draft management plan, that he does not like.

Doug Engh sends a letter also on the Evan-Thomas area requesting no further development.

Thank you, Mr. Speaker.

The Speaker: The hon. Member for Edmonton-Mill Woods. *2:50*

Dr. Massey: Thank you, Mr. Speaker. I have a number of letters from constituents this afternoon. The first is from Beverley Carter, who is concerned about the insurance rates and the capping of the minor accident claims at \$4,000.

The second is from Patricia Fraser. She works at the Grey Nuns hospital and is very concerned about the state of negotiations and the possible placement of nurses without their permission.

The third is a letter from Orvis Bambush, who is a constituent but owns property at the Cooking Lake airport. Orvis is very concerned that the Edmonton Regional Airports Authority has raised his rent on his property from \$450 to \$1,657 a year, and he's going to have to give up his airplane hobby because of that.

The next is from Anne Harris, a registered nurse who is concerned about the state of negotiations and the kind of treatment that they are receiving at the negotiating table.

The last is from a registered nurse, Beryl Scott. She's very concerned about the present climate of negotiations and the effect that that is going to have on nurses in the province.

Thank you.

The Speaker: The hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Thank you, Mr. Speaker. I have only two tablings this afternoon. The first is a letter from Heidi Lawton from the constituency of Ponoka-Rimbey. This letter is in regard to the negotiations between the United Nurses of Alberta and the PHAA.

The second letter that I have is from Vivian McCarthy. She is from the constituency of Wetaskiwin-Camrose, and she also has concerns about nurses and the UNA/PHAA contract negotiations.

Thank you.

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

Ms Blakeman: Thank you, Mr. Speaker. At the request of Leo De Leon, Carmen Vervoorst, and Mecana Tsang I am tabling copies of their letters directed to their MLA. They're raising concerns over the nurses' negotiation, particularly the lack of time spent in negotiation before the request for arbitration, and the curtailment of the democratic process.

Thank you.

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

Dr. Taft: Thank you, Mr. Speaker. I'm tabling the appropriate number of copies of letters written to me. The first is from Elsie Shaw of Lac La Biche expressing concern over contract negotiations between the PHAA and the nurses and asking for a contract that will protect patient care.

The second is from Shelley Dick to me. She lives in Airdrie. She talks about the need for a safe contract that will encourage individuals to go into nursing and stay in nursing.

The last is from Shirley Larochelle-Revoy of Irricana, who says, "I am writing to express my disappointment and concern regarding the current contract negotiations between the (PHAA) and the (UNA)."

Thank you.

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

Mr. Bonner: Thank you, Mr. Speaker. With your permission I'd like to table the appropriate number of copies of a letter I received from Julia Rowe. Julia is a nurse in Edmonton and lives in Edmonton-Glengarry and is very concerned over what is being asked of them in the current contract negotiations and the tactics that are being used by the employer in those negotiations.

Thank you.

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

Dr. Pannu: Thank you, Mr. Speaker. I've got three tablings in total, two I'll be tabling on behalf of my colleague from Edmonton-Highlands and one from myself. The first one is appropriate copies of a letter from Haysboro Seniors Resources Group in Calgary dated October 15, 2003. In this letter the seniors are expressing deep concern regarding the hardship that the 40-plus percent increase for seniors in long-term care is causing. Many seniors are scrambling to find extra money, and in many cases their children are being forced to cash their RRSPs to pay for their parents' nursing home expenses.

The second letter, Mr. Speaker, that I'm tabling is from Dr. Brian Staples, the chair of Seniors' Action and Liaison Team, dated September 25, 2003, addressed to the Minister of Health and Wellness. Dr. Staples is concerned with the increasing costs of nursing home operations and the government policy of supporting private nursing homes instead of not-for-profit nursing homes.

The last letter that we're tabling is a letter from Brian George Fozzard of Calgary dated October 24, 2003, addressed to the Premier. He is concerned with "the continuing abuse being heaped

upon people with disabilities" in government care and requests that a public inquiry be held in this matter.

Thank you, Mr. Speaker.

head: Orders of the Day

head: Government Bills and Orders

head: Third Reading

Bill 54 Appropriation (Supplementary Supply) Act, 2003 (No. 2)

The Speaker: The hon. Minister of Finance.

Mrs. Nelson: Thank you very much, Mr. Speaker. I'm pleased to move third reading of Bill 54, the Appropriation (Supplementary Supply) Act, 2003 (No. 2).

Mr. Speaker, this bill has been introduced in the House to deal with some of the realities that we've faced this fiscal year and to carry us through for the balance of the year. So I'm pleased to move third reading of this bill.

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

Ms Carlson: Thank you, Mr. Speaker. I'm happy to have an opportunity to put a few more of my concerns and questions on the record. When we talked in supplementary supply, I was able to address a few questions, but we ran out of time before I got even close to being through with a number of the ministries that I directly oversee and then some questions I had on those that I have some general interest in. It's disappointing when these bills go through the Assembly so quickly that we can't get questions answered back in time.

Specifically, I asked questions about the office of the Information and Privacy Commissioner, and those have not been answered, so I would hope that we would see that occur.

Generally speaking, we expect that bills that come in under appropriations are for extraordinary or unusual items that occur during the year. So this year, very legitimately, there were additional fire-fighting costs, and of course there was the situation we had in agriculture with BSE, which turned out to be very harmful to all related industries, and the government rightly intervened in that particular area.

In terms of the moneys asked for in the rest of the ministries, I have some concerns about how their budgeting is done. We heard many of the ministers stand up and say: oh, you know, this is just the 10 percent contingency in my budget. Well, that doesn't actually make sense when they give that as an answer, Mr. Speaker, because if it's a 10 percent contingency that they're building into their budget, then that wiggle room should already be in their budget. They shouldn't have to come back here and ask for more money for that. First of all, most of them couldn't count what 10 percent really was, because the numbers they asked for didn't jibe with 10 percent of what their ministries were. But when they come back and ask for more, that means to me, in terms of what they were saying, that they had built a 10 percent contingency fund into their budgets, went through that, and then also had to come back and ask for more money. So it doesn't seem like good planning on their part.

I never heard any really good reasons from most of these ministries in terms of why they had to come back and get more money and couldn't do the kind of planning that would anticipate the kinds of needs they had or, in fact, the kind of planning that, even though we're not involved in that process, their own caucus members could

sit down and say: yes, this is going to be a legitimate cost in the coming year, and we should fund this. How can you measure the success of a program or a minister or a budget if you don't get the full answer when you're sitting down at the budget-planning stage?

For instance, if we go to the Minister of Economic Development, the operating expenses he's asking for are \$3.5 million. When you think about that, that's a lot of money for a budget that isn't very big in the first place. Why was it that last fall, when they were making the plans for the budget and it was going through the process of debate and so on, he wouldn't know at that time that he was going to need \$3.5 million for what is labeled here as strategic intelligence?

3:00

Now, I don't understand how he could have gotten to the last quarter of this year and suddenly just run out of money in this regard. If they're doing their proper planning and processing of the dollars and of their specific benchmarking protocol that they've got in place, he would have known that he was under budget when he first asked for the money. It isn't a way to run a government, a home, or a business. It would be wonderful if I just ran out of money at the end of a quarter and said, "Okay; now I need more to run the house," because suddenly I decided that we needed something else in the house that was big and not formerly planned for. You spend too much money when you do that. You don't meet your overall targets when you do that. You skew the rest of the expenses and revenues in the rest of the government, and you don't always, then, spend the money in the appropriate venues.

Repeatedly people in this province tell us that health and education are their number one priorities. Repeatedly in this Assembly we hear questions being brought forward that address those specific issues, and a lot of them have to do with funding. It isn't always that we need more money for those areas. We need adequate funding in the first place. So what should have been put into the planning stages when budgets were being developed, Mr. Speaker, is a real assessment of what the actual financial needs of the community are, not for just today and tomorrow but in a long-term forecasting perspective, and it's easy to do. I know. It's been done before, maybe not in this Assembly but certainly in other venues, and they can do that.

If we have a properly funded system, then we don't have the same kinds of concerns that we see occurring on a daily basis here. I can't possibly imagine that the \$3.5 million for strategic intelligence was something the Minister of Economic Development couldn't live without and had to have specifically for this quarter and couldn't take a look at how he could build it into the next budget year coming up. So it looks like that money was coming from the sustainability fund, another good idea brought forward by the Official Opposition in this province.

I had some other questions with regard to some of the other departments that we saw. We did talk about Sustainable Resource Development, and in fact the minister was able to give me what I thought were pretty good answers in that regard. I still think that we chronically underfund fires in this province. Every year since I've been here, they come back for more money. I know that fires are unpredictable and how they spend the money isn't always known from day to day, but certainly we need to think a little more strategically about how we're funding that particular area.

The minister talked about the helpfulness of additional water fighting planes. I saw the helicopters going for water in the evenings this summer when we were on a holiday. They would go into Lake Windermere and pick up the water in the buckets and dump it in the evening, getting ready for their next day's preparation for fire

fighting. The minister didn't talk about needing anything more there, but he did talk about the planes.

Perhaps this is something where he needs to sit down with neighbouring provinces and the federal government and really talk about it. If he could show them a cash flow statement that would indicate that what he was saying was true, that having those planes would save funds both in a real sense in terms of being able to cut back in other expenses and in shortening the life of the fires, then I think that would be something that everybody in this Assembly could support, and I think that's a kind of co-operative discussion that they need to do.

I think that pretty much is the end of the questions that I have on this particular bill. Once again I'll say it like I have been saying it twice a year when these supplementary estimates come in. This is a government that could do a far, far better job in planning their revenues and expenditures and in how they come back with their hand out to their piggy bank twice a year in this Assembly.

Thank you, Mr. Speaker.

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

Mr. Hancock: Thank you, Mr. Speaker. I'd move that we adjourn debate on Bill 54.

[Motion to adjourn debate carried]

head: Government Bills and Orders

head: Second Reading

Bill 52

Health Professions Amendment Act, 2003

[Adjourned debate November 27: Mr. Mar]

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

Dr. Taft: Thank you, Mr. Speaker. This is one of those bills that has a lot of technical implications to it, addressing as it does how information is collected and shared and particularly electronic information. We are in some ways writing legislation here that sets a direction for the future of a computer system and an information system that we really are only shaping now. So we're dealing with a lot of unknowns.

We have been consulting with various groups on this legislation. Basically what this bill is intended to do is to change how information about health professionals is collected and shared by professional colleges, such as the college of physicians and so on, and the government. The intent of this is to use the information in workforce planning, for policy development, and to develop something brand new called the Alberta provider directory, which will be a database of all regulated health providers in the province. The basic purpose of this directory is to identify practitioners who are authorized to access electronic health records. So you can see that here we are putting in place different components for creating and building an electronic health records system.

One of the questions that I have right away with my own personal reflection on experience with health records and computerizing health records is: what are the costs? The costs could be simply enormous.

The bill in a less important way, I think, probably also makes some professional name and title changes.

Now, the government has been working for quite a while on establishing an electronic health records system. It goes back a couple of years or more, and they've been running pilot projects and developing systems one after another until finally this fall the electronic health records system was unveiled, and it's a big step. It's a step about which, frankly, I have mixed feelings. While there are benefits to having a lot of information on a database, there are also real risks and very, very substantial costs in forms of cash and other costs as well, such as invasion of privacy. So security of information looms large over this whole debate, and it's a theme that I will return to in debate on this bill and in debate on other issues as well.

Now, with the initial rollout of the electronic health records this fall, there are I believe 646 health care providers who are approved to use the system and access those records. By this coming spring that will have jumped to over 5,000, including physicians and pharmacies who will have access to people's individual electronic health records. So this presents all kinds of problems. Exactly who are these people? What qualifications do they have to see the health records on each of us? How do we know that they're actually legitimate healthcare providers?

3:10

To address some of those issues and to facilitate the establishment of this whole electronic health records system, the government is establishing through this bill something they're calling the Alberta provider directory, which is a database, as I mentioned a few minutes ago, of all the regulated health providers in Alberta. It is being built and developed in collaboration with the western health information collaborative, a process that was initiated, actually, by the Premiers across western Canada and by their counterpart deputy ministers of health.

One of the questions I would appreciate the minister answering is: what portion of the cost of developing this is being borne by the Alberta taxpayers? Sometimes it's great to lead a parade, and sometimes it's great to let somebody else lead the parade, especially if there's a great big price tag connected with leading the parade, and I'm concerned that in this particular case we may be in Alberta bearing more than our fair share of the costs of developing this system because we're so eager in getting it implemented. So that's some of the background here.

One of our major concerns is that so much of this bill is simply left up to regulation; in other words, we are once again being asked to pass legislation that is really simply a shell for a tremendous number of regulations that we haven't seen, regulations that presumably are in development. Some are in the back rooms of the government or the Department of Health and Wellness, regulations that can be changed with the stroke of a cabinet minister's pen. So when we are dealing with things as fundamental as health information and who has access to it, I for one would like to see actual legislation providing as ironclad security as we possibly can over what's in people's health records and providing ironclad security over who gets to see what's in those health records. Unfortunately, some of that ironclad reassurance is not in this bill. It's going to be in, we hope, regulations. We are being asked: trust us. When a government says, "Don't worry; trust us," we get nervous. So that's, perhaps, the most fundamental concern that I have and that we have

Now, maybe a directory is a good idea, and we might find that it does help in fact to make electronic health systems more secure, but we'll have to wait and see how this unfolds. For all of that and for all of those concerns, I don't want to leave the impression that we are unequivocally opposed to an electronic health records system. We are simply raising concerns about how it's going to be implemented and about how it's going to be secured and how much it is going to cost.

So in looking ahead with this piece of legislation, the government is hoping that by next spring, as I said, there will be over 5,000 health care providers with access to health records. So that makes this particular piece of legislation, I guess, of really urgent concern to the government. But we are here dealing with a double-edged sword. This bill will allow identifying information about individual health providers to be shared with other audiences, including the health minister and the health profession colleges. These recipients will be defined largely in regulations; in other words, in addition to these recipients, the bill will allow for information to be shared with other persons who are set out in the regulations and whom the minister wishes to share the information with.

Well, that's placing a huge potential loophole in the regulations, because while the legislation addresses a couple of groups specifically, it also allows the minister enormous leeway to determine who else might get the information collected through electronic health records. It raises questions. What safeguards are there that this information won't be shared with private health providers, for example, or with drug companies or with insurance companies or with employers? There are simply too many questions left unanswered by this legislation. It also leaves open the question: who will monitor the appropriate use of this data?

So I have these concerns, and in raising the issues with other stakeholders, they are expressing concerns about how information is going to be protected and collected. We could certainly look for clearer definitions and clearer constraints on that in this legislation. So it would be terrific if the minister could clearly explain how having this information will better protect the security of Albertans' health information. How are these changes in the public interest, how much are these changes going to cost in dollars and cents, and what benefits can we expect from them, benefits measured to as great a degree as possible in dollars and cents so we can compare the costs and the benefits?

I think that for my opening comments that covers the biggest number of concerns. The government has, to give it credit, worked with a number of groups on developing this legislation, groups ranging from all the professional colleges, I think, under the Health Professions Act and a number of other organizations as well. As useful as this health information system appears that it might become, I am not convinced. I remain a skeptic that the system that we are developing here and the system that is requiring us to debate this legislation is actually the right move for us to take. I am as a taxpayer concerned that tens and tens of millions of dollars, ultimately hundreds of millions of dollars, will be poured into developing an information system that is of relatively limited benefit.

So I have concerns over this bill, and I have concerns over this system that it is meant to serve. Thank you.

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

Dr. Pannu: Thank you, Mr. Speaker. I rise to speak on Bill 52 at second reading. This bill seems to address the new conditions that have come into being in the wake of the chronic health records system that the Minister of Health and Wellness and the Premier jointly launched at the Royal Alex hospital some months ago with a great deal of technological glitter and fanfare. Certainly, when I attended that particular event, I couldn't help but get the impression that one of the purposes of that particular launch and its format was to draw attention to the broad-based support from the medical profession that this bill has.

3:20

I think the question of whether or not information on individual patients with respect to their medical condition, treatments, history of medical problems and treatments, information on allergies, different kinds of medications that they may be on at a particular time when they to go see a physician and perhaps need new interventions—all of that information would appear to be helpful in avoiding or preventing or limiting mistakes that otherwise can happen in the absence of this kind of information on the records of each patient. So in principle the collection of this information and making this information available on request or on expressed need to Alberta health care providers is something that one can't dispute. It would seem to be an appropriate thing to do.

The questions that I had then and have now in light of what's in this bill and what's not in this bill pertain, of course, to the costs and benefits, the balance between the two, both the sort of costs to launch the health information system, which requires a change in legislation as reflected in this bill, and the operational costs of this and how they're to be shared as between private practitioners such as doctors and others and the taxpayers of this province, and the relative benefits that result from it.

These costs related to electronic information gathering, storage, retrieval, distribution, et cetera, have a tendency to spin out of control because of the rapidly changing nature of technology. The software, hardware, all of those things, change, and those changes are not under the control of the minister, of this government, or this Legislature. Those changes are independent. They take place because of the technological breakthroughs that continue to happen, and therefore to create a huge dependence of a health system on the critical role that the application of the technology plays in the process of providing care opens the doors to finding down the road in a few years that this portion of the costs begins to snowball. Having made this huge commitment to the use of this technology, we really have no control over the increasing costs that may result from the adoption of this particular electronic health records system. So the costs are a huge issue.

The other issue related to it, then, is the question of the security of information, Mr. Speaker. Not only is it the case that information when it's collected can always be either leaked or inadvertently made public; human error is certainly something that electronic systems cannot eliminate completely. So the security of the information and, therefore, the breach of the privacy of individuals the information is about is a massive concern, should remain a primary concern.

Not only is it the case that the information can become public through inadvertent actions, but also the decision could be made by various parties who have access to this information or have the responsibility to make decisions about the variety of uses that information may be put to, which may mean that such a decision could lead to the flow of this information into the hands of pharmaceutical companies and other private health delivery agencies and actors in our changing health care system, particularly in this province, where it's a matter of official policy of this government to involve private health providers in a large way to provide even hospital-based services through private, for-profit activities.

The information would necessarily become available to these providers, and then the inability of the government to dictate to these providers the manner in which this information is used is a matter of concern to me and is a matter of concern to many Albertans. So a health care system that's being privatized bit by bit provides the context in which these concerns arise with respect to the use of the electronic health records system to provide care.

Yes, in theory, as I said, one sees potential benefits to particular physicians or other health care providers who are dealing with a particular patient at the time to have this information on hand. On the other hand, there is the possibility of huge risks that are also there and that must be addressed.

It is because of these concerns that I've expressed with respect to the security of this information that's collected on medical records for individuals and the issues of invasion of privacy that I have concerns about the third part of the bill, which leaves much of the whole range of decisions with respect to how this information is going to be used, who's going to be using it, to whom it may be available, and the silence of this bill with respect to what controls are there in legislation to prevent private hospitals and other private health care providers, through contracts to regional health authorities, from using this information for purposes for which it's not intended.

Regulations, the bill suggests, would take care of these concerns, but I don't have access to the regulations. This Legislature doesn't have access to those regulations. So we can't even talk about the efficacy of the regulations that we put in place in order to address these concerns. Given the absence of information with respect to the regulations and the inability of this House to examine those regulations to assure itself that appropriate mechanisms will be in place to protect privacy and to make security of information watertight, I have those concerns that I would hope the minister would like to address after we have had a chance as a Legislature to express these concerns and make our initial observations on Bill 52 while we are going through it during its current phase of debate, which is second reading.

With these remarks, Mr. Speaker, I would take my seat. Thank you.

The Speaker: Hon. members, Standing Order 29(1)(d) and (2)(a) kicks in here for questions.

Then we'll proceed to the next speaker, should there be one.

Some Hon. Members: Question.

The Speaker: The question is called.

[Motion carried; Bill 52 read a second time]

Bill 46 Municipal Government Amendment Act, 2003

[Adjourned debate November 27: Mr. Boutilier]

Mr. Boutilier: Mr. Speaker, I actually made my comments last week and certainly am prepared to call for the question on this bill.

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

Ms Blakeman: Thanks. Just a couple of questions that I had in reading through Bill 46, Municipal Government Amendment Act, 2003. While I have the opportunity here – and I'm trying to remember the minister's comments, and I'm afraid they're just not sticking with me, so forgive me if I repeat a question here.

3:30

This bill is actually dealing with sort of odds and sods. It's a sort of licorice allsorts that we're getting with this. We've got a section that's talking about expanding the regulations and control of, well, full-contact sports. It's adding full-contact karate, kick-boxing, and "any other sport that holds contests where opponents strike each other with a hand, foot, knee, elbow or other part of the body." It is contact sports. So it's expanding the commission and what the commission establishes "by bylaw for controlling and regulating," and then there's that list. It's adding those other, I guess we could say, newer contact sports to the more traditional ones of boxing and wrestling.

It's also adding in the officials. Anything they do under the direction of the commission is "not liable for anything." The exception to that is that it's "not a defence if the cause of action is defamation."

So we've got one section that's dealing with adding kick-boxing and things, and then we go on to several sections that are being amended that are around an off-site levy. Section 648(2) says that "an off-site levy may be used only to pay for all or part of the capital cost of any or all of the following." Then it lists a number of facilities for the supplying of water and water treatment, sanitary sewage drainage facilities, and it's adding in "new or expanded roads" that are needed for or "impacted by a subdivision." What we've got is this levy providing "for the imposition and payment of a levy, to be known as an 'off-site levy', in respect of land that is to be developed or subdivided."

So we're moving here into a discussion around water, water treatment, sewage, urban sprawl, and public health and safety. This is where I'm struggling to recall. Is this developed specific to a certain locale? I have Red Deer written down with question marks, and I don't know why I did that. So I'm just checking with the minister: what location is this being developed to address? Or is it in anticipation more globally of continued development outside of our metropolitan cities? I'm presuming some of the other growing cities like Grande Prairie and Lethbridge and Fort McMurray.

An Hon. Member: Calgary.

Ms Blakeman: No. I said "metropolitan." I include Calgary there. I'm wondering if the larger discussion has been had and what those discussions are around this continued outgrowth from the cities. At the same time, for representatives like myself who are representing the downtown areas, that doughnut is being created where everything is moving out of the centre of the cities and increasingly moving on to arable land as we use up good land on the outside of the cities to do more development rather than looking at that restructuring and revitalization in the centre of some of these cities. Cities like Fort McMurray are certainly large enough to be dealing with something like this.

I know that that's a city planning issue. I personally wish that this city that I live in would spend more time working with that because we have a number of area redevelopment plans that have been put in place and are then ignored. What this bill is anticipating is part of the overall discussion that we're trying to have. How much sprawl are we going to have? How much more good farmland do we take up? And this is exactly anticipating that in that it's trying to supply the sewage and water transmission facilities and pipelines to deal with those ever growing subdivisions.

So when does it stop? How much does this bill facilitate? Forever? I want to know a bit more of the discussion that's already happened around that and what's being anticipated. Of course, water and treated water have particularly now become a public health and safety issue as we hopefully learn what happens when you don't learn the lessons as a result of Walkerton and North Battleford and some of the other places that have dealt with problems around water treatment and one presumes good sewage disposal as well.

The other thing that was being added in here was around timing, about when something has been started and whether they go under the old act or under the amended act. One of the things that struck me is that we're looking at a section where we're adding in that

the Lieutenant Governor in Council may make regulations . . .

(b) governing the principles and criteria that must be applied by a municipality when establishing an off-site levy. Again, the off-site levy is the levy that's put on a subdivision, and that money is used specifically to pay for water treatment and disposal.

So my question here is: what was being used for principles and criteria before if we're now asking that they be developed? What were the municipalities using? Was there some other act that was in place or was there some other guiding principle that is tucked away in some little book of how to be a good municipality? Obviously, there's something being contemplated here. Why is it turning up in legislation in 2003?

Finally, I'm wondering if the minister can go over the sections that are getting the change in timing around them. What's happened is that we had sections 9, 10, 11, 12, 13, 16, 17, 18, and 20 come into force on January 1, 2004, a month from now, just actually less a day. This is now being changed and adjusted. We have "Sections 9, 12 and 18 come into force on January 1," so they must be ready to go. So I'm interested in: what are the ones that are ready to go and what are the ones that aren't ready to go? Those are the ones that are now coming into force on proclamation, so what's the anticipated implementation date of that proclamation? Are you trying to get it in earlier or after and why? And that's sections 10, 11, 13, 16, 17, and 20.

So those are the issues that have come to me as I looked through the bill.

If I could just go back, why is it that the city controls contact sport commissions? It just strikes me that with all these other recreational and professional sporting arrangements, that usually comes under a provincial organization, or they draw funding down through a number of different places, and I'm just interested as to why the control of this sport rests with the municipalities. Is this some sort of historic situation that's still upheld and brought along? It's just a point of interest. It's not going to stop me voting for the bill, but I'm just wondering why it continues to show up under municipalities.

Aside from those questions, I don't see at this point a problem with this bill, but I am interested in getting those questions answered by the minister.

Thank you for the opportunity to speak in second reading to Bill 46.

The Speaker: The hon. Minister of Municipal Affairs to close the debate. Hon. minister?

Mr. Boutilier: No, Mr. Speaker. It's closed.

The Speaker: I'm sorry, hon. minister. You'll have to help me. No what? I invited you to close the debate. If you choose not to close the debate, that's fine. The minister wasn't voting against the bill.

[Motion carried; Bill 46 read a second time]

3:40 Bill 55 Farm Implement Amendment Act, 2003

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

Mr. Marz: Well, thank you very much, Mr. Speaker. It's a great pleasure for me to stand here today and move second reading of Bill 55, the Farm Implement Amendment Act, 2003.

As I said when I introduced the bill, this bill will make changes to the way that farm implement dealers and distributors indemnify their customers, bringing current legislation in line with today's fiscal and financial realities. As of January 1, 2004, a statutory compensation fund will replace the current bond requirement needed for farm implement dealers and distributors to qualify for a licence to operate in Alberta. Now as a condition of licensing dealers and distributors will need to pay annual levies into the compensation fund. Fines for noncompliance will be increased from \$25,000 per corporation or \$10,000 per individual to \$50,000 for either individual or corporation.

Changes to the legislation will benefit farmers if they incur losses due to contractual obligations being unfulfilled or warranties not honoured, for example. Under those circumstances they can make claims to the compensation fund.

A new farm implement board assigned statutory powers and obligations through regulations or by the minister will determine levies paid into and awards paid out of the compensation fund. The new farm implement board will continue to be made up of seven members: four producer members, one of whom is appointed by the minister, one distributor member, one manufacturer member, and a dealer member. Aside from the one appointee, members are elected by their affiliations.

The compensation fund will not be allowed to pay out more than what is in the fund. Further, the compensation fund will be run completely outside of the purview of the provincial government and will have no impact on the government's budget.

The intent of the bill is twofold as it assists producers as well as farm implement dealers and distributors. The bond premiums that dealers and distributors currently have to pay have become prohibitive. Due to world events the insurance industry has tightened qualification requirements for bonds, making it next to impossible for some dealers and distributors to become licensed. This government does not want to be unduly difficult to the businesses here, Mr. Speaker, so we're making the appropriate changes.

With regard to producers this bill will ensure that they have a relatively simple course of action to recoup losses due to problems with farm implements. Producers who receive compensation through this fund will forgo the right for further legal claims against the dealer or distributor for the amount paid on the claim.

Passage of this bill will improve the business climate for farm implement dealers and distributors as well as making sure producers are protected from unnecessary financial loss.

Mr. Speaker, I urge all members of this Legislature to give this bill their full support, and I look forward to other comments.

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

Ms Carlson: Thank you, Mr. Speaker. I'm happy to have an opportunity to speak to Bill 55, the Farm Implement Amendment Act, 2003. As we see this bill, the object of it is to establish new provisions for the licensing of farm implement dealers as well as to create a mechanism for compensation to dealers who have incurred a direct loss due to the collapse of a sale or lease agreement. We see the bill redefining the definition of dealer and distributor by clarifying that dealers and distributors also lease farm implements.

This is an industry that has long had a tough time operating and surviving. I remember that my first case course back in the early '70s was dealing with a farm implement company, one of the better known ones in Canada at the time, who had through a variety of reasons not been able to sustain its business. That seems to be the kind of cycle that these farm implement businesses go through. They are particularly disadvantaged at this particular time given some of the changes that have occurred in and around insurance and access to insurance for them.

At first glance, certainly, I'm supporting this bill because it looks like it's moving in the right direction.

The bond system under the current act, where an applicant for a dealer's licence must furnish a bond to the Crown, is abolished effective December 31 of this year. Then the issuer must pay back to the licensee the premium attributable to the unused portion of the bond.

This bill establishes a new fund known as the farm implement compensation fund, and we see the revenues collected from levies and assessments and penalties which will be paid by applicants for certified dealer licences. Producers will apparently be charged about \$750 as a levy into the fund. If we could get that confirmed in committee, Mr. Speaker, we'd appreciate it. We also see that the fund is going to be used to pay out awards for compensation to a purchaser, lessee, distributor, or dealer on a loss incurred from the breach of a sale, a lease, or a lease/purchase agreement.

So what this fund does, then, is replace the bond, and it will be established by a new board called the farm implement board. We see seven members going on this one, determined by the regulations of the act. The board is supposed to hold appeals on issues where applicants for licences have been refused or canceled or suspended. We also see that the board is going to be conducting hearings for compensation as laid out previously. The board is responsible for managing the fund, and it's also responsible for setting levies and assessments to gain revenues for the fund. They also have the power to enforce any assessments by filing with the Court of Queen's Bench for recovery of debt.

If we could have some confirmation of this particular bill. If there are any parts of it here that we're not completely correct on or if you have a different interpretation, certainly we're looking forward to having that discussion when the bill gets to committee.

Right now what we see is that dealers and distributors are required to put up a bond in order to get a licence to carry on business. Since September 11 a lot has changed for a lot of industries. Certainly, the case has occurred here that we see insurance companies doing what some may be saying is squeezing them in terms of information and refusing to issue bonds and really trying to take a piece of the market and take control of the market. This becomes a real problem, I think, in terms of fair trading and in terms of businesses' access to markets and ability to do business.

We also see insurance companies refusing to insure distributors and dealers. We certainly don't approve of that. Hopefully, we will see that this bill will start to address that. Our expectation is that the board will operate in a manner that will help these companies and that we will see some positive changes in this particular industry.

Mr. Speaker, I think those are all my comments. I certainly look forward to feedback on those comments when this bill gets into the committee stage. Thank you very much.

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

Dr. Nicol: Thank you, Mr. Speaker. I rise this afternoon to speak to Bill 55, the Farm Implement Amendment Act, 2003. I think this bill in its intent probably addresses in one way an issue that has been raised by a number of dealers, farm suppliers across the province.

3:50

The thing that we have to look at is that in terms of the process that we're going at, it's very similar to some of the other programs for fund creation in agriculture, where these funds are set up for, basically, risk management in a way that – you know, input risk management as opposed to output risk management. If this, in effect, gets implemented, it will probably clarify both for the dealers and for the farmers the relationships that they're being faced with in terms of dealing with each other right now. There's uncertainty

being created because you now have to question and make sure that each of your dealers is licensed, is carrying the appropriate bond tied to that licence, and that some continuity of your dealership is available. You need the servicing on your equipment and you need the parts, not just the year you buy it but for the life of that piece of equipment. To have a secondary process like inability to adequately get bonding and insurance affects that continuity that farm producers and farm implement dealers want in their industry.

So, Mr. Speaker, I hope that as we go through this, we look at this and say that this is good for the industry; it's good for agriculture. If we look at the provisions that are in it in the concept basis, it's going to clarify the process of licensing. Well, that has to be done now that we don't have the bonding tied to it and we have another mechanism for that kind of risk management.

I guess when we look at the establishment of the permanent farm implement board, in a general way this is going to hear appeals both on compensation issues and also from the dealers if they are finding it difficult or if the restrictions being put on their licences are becoming onerous. That, in effect, becomes a good process. Is it going to become bureaucratic? That's only something we can see in time

The process here has to be expedited. When either a dealer or a producer wants a hearing, there has to be a very timely process in place because we have to make sure that these things come to resolution as quickly as possible. We have to look at what are alternative mechanisms for getting that resolution. We have to deal with it from the point of view of the expertise that will be on the board. I know that the act talks about some of the things, but we have to look at it in terms of: is it broad based enough to give a perspective? With the integration of our economy now, even the agriculture area is crossing over into industrial equipment. Industrial equipment and agricultural equipment are now being sold through the same dealers. That's good. We've got to make sure that we do keep the issues being addressed by the bill focused. So I hope that that understanding and that breadth is included for the people who are going to deal with it.

I guess the final main area of the bill is the farm implement compensation fund. What we're looking at in this whole process, as I said at the outset of my discussion, is a bill that's going to help sustain players in the industry by having this fund in lieu of bond or insurance. What we need to do is make sure that the accounting in that fund is clear, that people are aware of how many dollars are going into it, and what the actuarial needs of that fund size might be, what process is going to be there to back it until it gets built to the appropriate size.

A lot has to deal with: is it going to become a growing fund? Not that there's a relationship between the two of them, but the number of calls we get about the tire fund getting bigger and bigger and bigger, you know – what are the actuarial numbers that, in effect, establish the size and the need for this fund? That would be interesting. I hope that as this moves forward, that kind of information is made public in a way that people can understand the level of the fee that each of them is going to have to pay to buy into it.

I know that the minister is already talking a little bit about what that fee might be in terms of size, and I guess for comfort both for me as the agriculture critic, for me as the Leader of the Opposition but mostly for the farmers out there, we need to know that that fee is appropriate for the level of coverage and the actuarial conditions that will draw from the fund. I'd ask as we move ahead with the implementation of this act that that kind of information be provided for the public and for the individuals involved, because that would give them a sense that there's meaning behind this.

I guess just one final comment that I'd make before we again encourage everyone to support this because the industry needs it is a reflection of the compartmentalization that we're seeing more and more in our processes. This bill came up through Agriculture because of an issue in agriculture, yet it doesn't cross over to the very same issue that's been brought to my office by marketers, dealers in other industries, and by users of products in other industries. They're basically facing the very same crisis in their ability to get appropriate risk management coverage, whether it's bonds or insurance. I guess as we go into this, it would be interesting to get a response from the government as to why this wasn't something that grew from an issue and an initiative taken by the minister of agriculture into something that would meet the needs of all small businesses, all businesses in this province as it relates to risk management.

I think this is a whole issue that we could get into debating: the role of the private sector and the role of the public sector. We're simultaneously going through a debate in this House on another insurance issue where public involvement is shunned. Suddenly now we have legislation that, in effect, creates a public fund, which, as it grows, may have to be backed by public dollars. That needs to be clarified so that we can truly understand how that's going to work

But I think all those issues aside, I've raised a couple of questions about the board, about the transparency of the fund, and I hope that the government will act on it. In the meantime, Mr. Speaker, this is something that the rural community and the ag community specifically need, and I hope that every member of the House sees fit to make sure that the ag industry continues through the fall and on into the future so that we can have the materials and the equipment and the parts for the producers in Alberta. So, again, let's support this and get it under way, and maybe we can look at the broader context of the needs of all small businesses at a different time.

The Speaker: Hon. members, Standing Order 29(2)(a) is now available for five minutes. Is the hon. Member for Edmonton-Strathcona proceeding under that provision?

Dr. Pannu: No, Mr. Speaker.

The Speaker: Okay. Would there be members who would like to proceed under the provisions of Standing Orders?

Then the hon. Member for Edmonton-Strathcona to continue the debate.

Dr. Pannu: Thank you, Mr. Speaker. I would like to make some observations on Bill 55, Farm Implement Amendment Act, 2003, in second reading. I'll be brief. I've been looking through the bill and wondering why these changes are needed. We can attribute all kinds of things to the 9-11 2001 incident, but I think that's not really addressing the real issue here.

4:00

I think the changes that are sought in this bill in the form of replacing the current system, where licencing farm implement dealers requires getting bonds and getting insurance for indemnification of risk, is being replaced with a system that from my first reading, a quick reading of the bill, says that in place of the market we are now ready to bring in a more publicly created board and a fund. The market seems to have once again failed in this case, and so the public authority – the government, the state – finds it necessary to step in.

The insurance industry and businesses have really shown a serious weakness over the last few years. We have been talking about the auto insurance sector of the industry and how that has failed drivers

and consumers. So all kinds of governments, including the one here in Alberta, are trying to respond to the failure of the insurance industry with respect to the auto insurance area.

But here, again, in the case of farm implements farm dealers and producers are finding it now necessary to seek a new system of risk management and indemnification of risk through public means. I'm not opposing this; all I'm doing is trying to draw attention to how this sort of market madness is giving way, once again, to finding more publicly administered means to provide conditions under which producers, agricultural industry players, implement dealers can operate under conditions that provide some degree of security and satisfactory risk management, which has to be addressed if these players have to stay in the field and work on it.

So having said that the market seems to have failed in this case, we've recognized it. We are now turning to other means to replace what the market provided until now, but the arrangements that are being put in place, I think, merit a close scrutiny by this legislature. The farm implement board and its composition, therefore, comes into focus as something that we should pay close attention to to make sure that it represents the interests and stakeholders whose concerns and interests this board has been created to address and that representation be appropriate and that the board's activities be accountable insofar as the legislation can make them accountable.

Similarly, I noticed that in the section on the farm implements compensation fund in the bill on page 10 under funds there seems to be no provision for start-up funds. I wonder if the levies, assessments, and penalties that are referred to here as a source of this fund will be sufficient to provide for the funds that are needed as a start-up cost of this new arrangement. I would like the minister to address that issue: whether or not public funds, taxpayers' money will in fact be needed to start up this new venture, and if so, what's the magnitude of the taxpayers' dollar commitment to this?

Secondly, the question of the range of levies and fines and the size of those levies and fines that can be levied by this board both to applications for licences or to the producers who will also come before this board with certain requests. That matter is left, by and large, to regulations. I think some indication of the kind of levies that will come into play as soon as this present arrangement expires at the end of this month should have been indicated in the legislation itself, at least to show that these are the kinds of levies and fines that will become the source of this fund. Without that information being here, one is really not in a position to comment in an informed way on whether or not the provisions of this section, section 39 of the bill, are appropriate, are adequate, and are helpful or punitive. So we don't really know at this stage what the regulations will propose, so it would be good if the minister would comment on that question.

The question of the growth of bureaucracy around the activities of this board and the distribution of the funds from this fund and how large a commitment in terms of staff, in terms of bureaucratic structures and arrangements will be needed and whether those personnel will be funded from the funds or levies or whether or not those funds will come from somewhere else is another question.

So the transparency issue, the accountability issue, the actual size of the funds needed, and such are some of the questions that come to mind on my first reading, and I hope that the minister will address these questions as he gets a chance to do so, Mr. Speaker.

With that, I'll take my seat. Thank you.

The Speaker: Standing Order 29(2)(a) is available. Hon. members? Other speakers? The hon. Member for Olds-Didsbury-Three Hills to close the debate.

Mr. Marz: Thank you, Mr. Speaker. I appreciate the positive

comments from some of the members that spoke, and I look forward to committee and answering the questions of all the speakers, both positive and not so positive.

Thank you.

[Motion carried; Bill 55 read a second time]

4:10head: Government Bills and Orders

head: Committee of the Whole

[Mr. Shariff in the chair]

The Deputy Chair: Hon. members, we'll call the committee to order. Before we proceed with the item on the agenda, may we briefly revert to Introduction of Guests?

[Unanimous consent granted]

head: Introduction of Guests

(reversion)

The Deputy Chair: Hon. members, seated in the gallery we have a number of visitors: Mr. John Doyle, assistant to the director for international business studies, is hosting a group of manufacturing managers from China. They are here in Alberta through the contributing efforts of the Chiang Foundation and the University of Alberta School of Business. I'll request them all to please rise and be recognized by this Assembly.

Bill 53 Insurance Amendment Act, 2003 (No. 2)

The Deputy Chair: Are there any comments, questions, or amendments to be offered with respect to this bill? The hon. Member for Medicine Hat.

Mr. Renner: Thank you, Mr. Chairman. I'm pleased to have an opportunity to speak to Bill 53 at committee. As you know, the committee stage is where the clause-by-clause analysis of the bill takes place. I listened intently to much of the debate at second reading, and while there were a few specific questions, much of the debate at second reading had to do with the overall philosophy of the bill. Frankly, I didn't hear a lot of time spent dealing with the detail of the bill in it. So I look forward to that as we begin the discussion at committee stage.

I think, Mr. Chairman, just to set the stage for some detailed discussion at committee, I'd like to spend just a little bit more time talking about what is in this bill, what are the clauses of the bill that we will be discussing at committee stage. Also, I have a government amendment that I will be introducing at the conclusion of my comments. Before I do that, I do want to just make some general comments.

Mr. Chairman, there are really three sections in Bill 53. The first section deals with the establishment of a rate-setting board, talks about the composition of the board, how members of the board are appointed, and all of the things related to any kind of a government board. It also talks about the duties of the board and establishes and gives the regulation-making authority to the minister to establish duties of the board.

The second section of the bill deals with the process by which premiums are calculated and establishes the ability to have underwriting guidelines established through regulations. As I think most members are aware, the intent is to put in place a benchmark grid that would establish the maximum premiums that insurers could

charge depending upon a myriad of different risk assumptions and calculations. In addition to that, it also would provide for a system of surcharges and discounts, some related to experience of at-fault collisions, some related to the lack or not of convictions.

All of that is again established through regulation. Much of the work related to this bill remains to be done. Even after this House deals with the bill, there will be a considerable amount of work to be done in consultation with all of the relevant stakeholders as we develop the necessary regulations to implement the bill.

The final part of this bill, if we think about it in three sections, has to do with changes to the benefits that are paid as a result of insurance. As all members, I think, are aware, insurance creates a pool. The premiums that all individuals pay go into a pool from which there needs to be an adequate source of funds to provide for damages when individuals find it necessary to claim from insurance. So that pool has to provide the necessary amount of funds to compensate injured individuals, to compensate individuals who have property damage, to compensate and to cover all the costs of delivering the insurance, to pay brokers the fees that are associated with the role that they play in insurance, and also to provide for some return on investment and cover the costs of the insurance company. That overall pool has to be sufficiently large to provide for all of that, but for the purposes of the discussion today the most important part of that pool is to ensure that there are sufficient funds to pay out the benefits.

The bill provides for some changes to the benefits, the first being an increase in benefits under section B, medical benefits, from \$10,000 to \$50,000. It also provides for regulation-making authority to develop protocol related to how individual injured parties access the treatment and how that treatment, in turn, is paid for and the compensation out of that insurance pool.

The other changes on the benefits side that this bill deals with are the changes that were contemplated in Bill 33. For the information of members Bill 33, while it's still on the Order Paper, is not intended to proceed any further, and the provisions in Bill 33 which apply in Bill 53 have been incorporated into Bill 53.

So in this bill we have a section that deals with changing the compensation to individuals for lost income to net versus gross. As I have explained to members in the past, when someone receives compensation for income replacement through an insurance payment, that payment is not subject to income tax. Therefore, it makes sense that the amount that would be paid would be the net amount, the amount that the individual was actually out of pocket. Had the accident not occurred, the individual would have earned that income through alternative sources that would have been subject to income tax.

The other part of Bill 33 which is incorporated in this bill has to do with collateral payments, when an individual ends up getting paid twice for the same injury. It's referred to colloquially as double-dipping. What the bill does is clearly establish that when an individual has coverage through a disability program of one sort or another, the automobile insurer is responsible only for topping up on income replacement over and above what the individual is receiving from the other insurance company.

The effect is that it should be revenue neutral to the affected party. If I am injured, whether I'm injured in an automobile accident or I'm injured in some other way, a skiing accident or whatever, if I have disability insurance, my disability insurance will pay me to the limits of the disability insurance. Then I'm entitled to recover over and above that full income replacement should I have been injured in an automobile accident, because in that particular case this is a tort action, where someone has caused harm to me, and I'm entitled to recover.

4:20

It also provides for all the necessary regulations to implement the limit on pain and suffering for minor injuries. That includes the definition of what is a minor injury. It includes the protocols that will be established so that there is consistent implementation of that definition of minor injury. There will be a consistent protocol for all health providers so that when an individual is being treated, all health providers will be very clear on what the protocol is with respect to a minor injury – any injury, for that matter – related to an automobile accident.

Also, it will provide for a protocol on treatment so that every injured Albertan will be eligible to have the best possible treatment based upon an established protocol that's agreed upon by experts in the field, experts far more knowledgeable than I on this matter but nevertheless experts in the field.

So that is sort of a 10-minute overview of how the detail of Bill 53 rolls out.

Now, I mentioned, Mr. Chairman, that I had a government amendment that I wanted to introduce at this time. I have two amendments. I think what I would like to do is deal with them separately. I'll deal with them one at a time. So at this time, if I could ask for the indulgence of the table to distribute the amendment that refers to section 18.

The Deputy Chair: Hon. member, just for clarification, you have two amendments, and you want to deal with them separately. Is that correct?

Mr. Renner: Yes, that's correct.

The Deputy Chair: Okay. We shall refer to the first one as amendment A1 and the second one as amendment A2. I guess we can distribute both of them.

Mr. Renner: I'd rather just move them one at a time.

The Deputy Chair: Well, we'll deal with the first one, then, as amendment A1.

Mr. Renner: Yes.

The Deputy Chair: You may proceed.

Mr. Renner: As this amendment is being circulated, do you want me to wait until members have a chance to have a look at it?

The Deputy Chair: Yes. Just give a few seconds.

While the amendment is being distributed, may we briefly revert to Introduction of Guests?

[Unanimous consent granted]

head: Introduction of Guests

(reversion)

The Deputy Chair: The hon. Minister of Community Development.

Mr. Zwozdesky: Thank you, Mr. Chairman. It's a great pleasure for me to introduce to you and through you to all members of the House some very special guests who are in the members' gallery observing proceedings today. I'll ask them to rise, if they would, as I introduce them: Mr. Tim Uppal; Hari Uppal, his father; Satwant Uppal, his mother; Gurdial Gill, grandmother; and two teachers who are visiting

us from Punjab, Ravinder Grewal and Gurcharan Grewal. [remarks in Punjabi] May God bless you. Everything belongs to God. May God always be remembered and victorious. [as submitted] Would you please welcome our very special members who are here today from the Sikh community. Thank you very much for coming.

Bill 53 Insurance Amendment Act, 2003 (No. 2) (continued)

The Deputy Chair: Hon. Member for Medicine Hat, you may proceed now.

Mr. Renner: Thank you, Mr. Chairman. This amendment is an amendment to the section of the bill that deals with the requirement that an insurer give notice if they intend to withdraw from the Alberta marketplace. It's designed to give an orderly transition, so if for whatever reason an insurer determines that they are no longer going to be providing insurance in this marketplace, they're required to give 180 days' notice. This is to provide for a smooth transition. It's also to provide for the Superintendent of Insurance to have a good handle on which companies are doing business in Alberta, which companies for whatever reason have an intention to withdraw from the market.

However, while it provides for a provision that requires that 180 days' notice be given, it does not have any converse type of consequence if the insurer, in fact, decides at the end of the 180 days not to cease to do business in the province. This causes concern in a number of ways. It puts a great deal of uncertainty into the marketplace. A company could indicate to the superintendent that they wish to withdraw from the marketplace. A lot of time and energy would be spent in preparing for the departure of that company from the marketplace, and then at the end of the day the company decides: no, we changed our mind and we're staying after all.

We want companies to be very clear and understand what the consequences are of making such a decision to depart from the Alberta marketplace, so what this amendment does is provide for provisions that the company will have to follow should they decide, after giving notice, that they wish to re-enter the marketplace. It gives the superintendent authority to put restrictions and conditions on the return of that company. It also provides for regulation-making power to establish a period of time that contracts could not be issued in the province of Alberta after the notice of termination is given.

So I think that this is a good amendment. It brings, again, some certainty back into the marketplace. The intention of the change of the requirement for notice was to bring certainty, but if insurance companies choose to abuse the six months' notice, rather than bringing certainty, we could in fact be bringing uncertainty into the marketplace. So all this amendment does is make it very clear to insurers that if they are going to give notice of departure from the Alberta marketplace, they should do so and give serious consideration to it and ensure that they actually mean it and are not, for lack of a better term, bringing forward an idle threat to do so.

So at this point I encourage all members to support this amendment, and I look forward to hearing debate from others on this amendment.

4:30

The Deputy Chair: The hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Thank you very much, Mr. Chairman. I have some questions at this time for the hon. Member for Medicine Hat in regard to amendment A1 to the Insurance Act. Specifically, I can

understand where the hon. member is coming from by changing subsection (6), but again there are other deficiencies in this legislation in regard to public notice to consumers. I'm not going to make reference to those sections at this time because we're simply to talk about the amendment A1 and direct our comments to the proposed section 661.

However, in the unfortunate event that would cause the withdrawal by an insurer from the business of automobile insurance in this province, what notification will there be? Certainly, there are going to be directions by the superintendent, but what notification will there be to consumers of this withdrawal? Consumers have, in my view, a right to know, and also the other members of the insurance industry, the brokers. What role will they have to play in this? How will they become aware of a potential situation?

Thank you.

The Deputy Chair: The hon. Member for Medicine Hat.

Mr. Renner: Thank you, Mr. Chairman. Actually, to the Member for Edmonton-Gold Bar, the amendment before the House now doesn't deal with the requirement for notification. The requirement for notification is in the main bill itself. What this does is add an additional requirement onto the requirement for notification that says that once the notification has been given, there are some terms that the superintendent has at his disposal to ensure that that notification was given seriously and that the superintendent (a) should take appropriate action to prepare for the departure of a company and (b) should that company decide that at the end of the day they do not wish to leave, they have to understand that there are some consequences involved in that and that they shouldn't be making the notice of withdrawal lightly and that it should be a serious notice and not just a threatened notice of departure.

[Motion on amendment A1 carried]

Mr. Renner: Mr. Chairman, I apologize for the confusion. There have been some ongoing discussions among House leaders. The second amendment that I referred to earlier was actually a suggestion of the Member for Edmonton-Gold Bar. I think it merits support by the Assembly, and there has been a back-and-forth discussion about whether it would be introduced as a government amendment or an amendment by the Member for Edmonton-Gold Bar, and at this time I would suggest that the Member for Edmonton-Gold Bar introduce this amendment.

Apparently the amendment is not available for distribution at this time other than in the form of a government amendment, so at this time, Mr. Chairman, I will encourage all members to participate in the debate on the bill itself. If there are any questions on the clauses of the bill, I'll be more than happy to answer those questions, and then when the amendment proposed by Edmonton-Gold Bar arrives, we can ask him to introduce that amendment and have the discussion at that time.

The Deputy Chair: The hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Thank you, Mr. Chairman. Yes. At committee at this time I certainly have a few comments in regard to Bill 53, and there are other amendments as well.

Certainly, with the Insurance Amendment Act we are seeing sweeping regulations dealing with a broad range of matters in regard to insurance. When you compare what has happened in this province with skyrocketing insurance rates to what has happened in

other provinces, particularly in the western part of Canada, there are some remarkable differences.

But when we look at this bill and we look at the issues around base capital, hopefully there are no problems, but if there are problems, how are consumers to know? We don't deal with any rollbacks of skyrocketing insurance premiums in this bill. We deal with the Automobile Insurance Board. I certainly would like to see more care and concern for plain language in this legislation so consumers can fully understand not only this legislation but also plain language in automobile insurance policies.

The issues around public notice—there is so much in this bill, and I look forward to discussing it and debating it with all hon. members of this Assembly. This is probably, before we get changes, unless this bill is defeated, the only opportunity for public consultation in regard to this matter, and that's why it is very, very important that we have a full exchange of views on auto insurance and its regulations in this province and essentially, Mr. Chairman, who should provide auto insurance as a mandatory financial services product to Alberta consumers.

Now, we can look at the whole issue of skyrocketing insurance premiums for drivers in this province, and we can lay the blame at the foot of anyone, but I don't think we can play the blame game. I don't think it's fair to blame the innocent victims. I don't think it's fair to restrict or limit in any way awards, the reduction of those awards, by the amount of income tax or CPP contributions or employment insurance premiums.

This whole idea of the definition of minor injury being left to regulations. Again, I said that there are sweeping regulations dealing with a broad range of matters in this bill, and I and consumers of this province, Mr. Chairman, would be much more comfortable if those ideas were outlined exactly in the statute, not left to regulation.

However, Mr. Chairman, the freeze of auto insurance premiums that's outlined in this bill I think was a good first start. Now, when that occurred, there were a lot of questions about how that was going to happen. I for one, a consumer in this province, when my renewal notice came due on November 25, saw an increase in my premium, and that was after the Premier made the announcement that there would be a freeze.

An Hon. Member: It's all your speeding tickets.

Mr. MacDonald: No. I have no speeding tickets. I have no speeding tickets to date.

Now, when you look at all the consumers, about 8 percent of consumers or maybe even greater will be eligible for some form of rebate after this freeze. However this is going to work, they will be eligible for a freeze. The freeze is a good start, but we can't just simply allow the run-up of auto insurance premiums for three years and then suddenly say: we're going to have a freeze. There has to be a rollback as well, Mr. Chairman. The Official Opposition back in August asked that there be a freeze and a rollback. The insurance industry had certainly returned to profitability.

4:40

Now, the government members had been at that time deeply divided on the issue of auto insurance, and they were discussing this issue, as I understand it, among themselves for weeks. It was the hon. Member for Lethbridge-East who suggested and urged that there be an immediate rollback and freeze of auto insurance premiums. At that time, before this bill was tabled, we on this side of the House thought it would be appropriate that there would be a rollback to March 2002 levels.

Has the insurance industry returned to profitability? Well, there was a leaked letter from the hon. Member for Edmonton-Calder to the hon. Member for Medicine Hat, who has been doing a very able

job, in my opinion, as co-chair of the Automobile Insurance Reform Implementation Team. It's not the public process that I thought we should have, but a guy has to live with it. That letter proves just how deeply divided not only the government caucus is but Albertans are on this whole issue of auto insurance. For some government members to state that the insurance industry has certainly returned to a very profitable level is an indication that there needs to be a much-needed break for drivers.

At this time, Mr. Chairman, I have an amendment. I believe we could call it A2, and if I could have a page, please, to bring this to the table. Shall I continue or wait until all hon, members have it?

The Deputy Chair: Just wait for a few seconds.

Mr. MacDonald: Thank you.

The Deputy Chair: Hon. members, we shall refer to this amendment as amendment A2.

The hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Thank you very much. At this time I would like to move amendment A2 to Bill 53, the Insurance Amendment Act, 2003 (No. 2). Mr. Chairman, for the benefit of the House I would like to move that Bill 53, Insurance Amendment Act, 2003 (No. 2), be amended in section 17 in the proposed section 661.1 by adding the following after subsection (1):

- (1.1) Effective January 1, 2004, premiums of an insured are rolled back 15%.
- (1.2) The Lieutenant Governor . . . may make an order respecting the rollback mandated under subsection (1.1).
- (1.3) Subsections (3) to (7) apply to an order made under subsection (1.2).

Now, we certainly need this, and this is an ideal opportunity for all members of this Assembly to once again reconsider and vote for rollbacks for Alberta consumers of a mandatory financial product, which is auto insurance. Drivers have had to pay more, and they have not been given a justification for why they are now paying more.

I know that everyone should get a second chance, and I think that this is an ideal opportunity for this government to recognize that not only is a freeze good enough, but there has to be a rollback as well. When we look at this legislation, this Bill 53, running this bill through the Legislative Assembly as it is only guarantees that Albertans will pay more for insurance in the long run.

Last week the government hastily took down a rate calculator on its insurance web site after consumers alerted the media that insurance premiums would increase under the government's new insurance policy. Surely after that issue and how quickly we removed that web site – some other members may describe that web site as fairytales.com.

An Hon. Member: That one's taken. Somebody already took that one.

Mr. MacDonald: That one is not taken.

The citizens have through that web site discovered the truth about this proposed bill. One way for the government to make amends to the citizens is to vote for a 15 percent rollback.

Now, when we look at how much money could be saved if this government is serious about protecting consumers from high insurance rates, then you will vote along with us in supporting this 15 percent rollback. The rate freeze was just the first step. If we are serious about providing Alberta drivers financial relief from the

outrageous insurance premium increases for their automobiles, we have to look at rolling back the rates.

When you look at how much money we're talking about here—there's roughly \$1 billion in third-party liability automobile insurance premiums sold in this province. That is a significant sum of money. If we were to roll back for Albertans the third-party liability portion of their auto insurance, it would mean a saving of over \$400,000 per day to all Alberta drivers.

That, Mr. Chairman, is what we have to do. I would urge all hon. members of this Assembly to consider again amendment A2 and put the interests of Alberta consumers first.

The industry, as the hon. Member for Edmonton-Calder pointed out earlier in the summer, has returned to profitability. There's no doubt that the insurance industry is on sound financial footing, but some consumers in this province are not as a result of their high insurance costs. All drivers need a break.

Dr. Taft: Every car needs brakes too.

Mr. MacDonald: Every car needs brakes. We have to put the brakes on high auto insurance premiums with a freeze, and we have to put the whole process in reverse and roll back premiums by 15 percent.

I urge all members to support this amendment A2. Thank you.

The Deputy Chair: The hon. Member for Medicine Hat.

Mr. Renner: Thank you, Mr. Chairman. I mentioned at the conclusion of my comments the last time I was up that the Member for Edmonton-Gold Bar had brought forward an amendment that merited support. Unfortunately, this is not it. There will be one coming from Edmonton-Gold Bar that I am prepared to support and I will encourage members to support, but, hon members, this is not it.

4:50

Let me talk a little bit about the nature of rollbacks. I heard the member say that the industry is making profits, so I guess he thinks that because the industry is making profits, this Assembly should be entitled to, then, unilaterally without consultation arbitrarily just roll back all premiums by 15 percent whether or not those premiums happen to be some that are ridiculously high, the ones that the government bill before us will be dealing with, or whether there are some premiums that, quite frankly, Mr. Chairman, are reflective of what a competitive marketplace can do.

There are a significant number of Albertans who have insurance at reasonable rates, and they have insurance at reasonable rates because individuals with a long-term safe driving record, with a good driving record, are the individuals that the insurance companies have been keying in on for the last couple of years and have been very, very competitive. The problem, Mr. Chairman, comes if something goes wrong. When you have a slight loss of concentration that results in a fender bender, that very competitive low rate of insurance that you've been enjoying for the last 20 years is all of a sudden gone overnight. We've seen that repeatedly, and that's what the government is addressing through this legislation.

It's simplistic kinds of solutions like this that get us in trouble. We can't unilaterally just say: you will roll back your premiums by 15 percent. What we can do is say that the way the insurance business is operating in this province right now is unacceptable. It is penalizing many drivers and charging many drivers in this province premiums far in excess of what they should be paying, so we have to put rules in place that will bring some sense back to the insurance industry. Unilateral rollbacks of 15 percent won't do any good. We'll end up with some drivers paying far below what they

should be paying, and, Mr. Chairman, if you happen to be one of the drivers that's in the facility program paying \$10,000 a year, a 15 percent rollback takes you to \$8,500, which is still ridiculously high. So that's why these kinds of simplistic solutions don't work.

I urge all members to defeat this amendment.

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

Ms Blakeman: Thank you. Well, with respect, I'm urging all members to support this amendment, and I'd like to thank my colleague from Edmonton-Gold Bar for introducing this. This is exactly what Albertans have been asking for.

The Member for Medicine Hat keeps calling it simplistic, but I think Albertans would argue that to have the insurance industry get involved in what they called rate shock and raise rates continually over about a 14-month period to the point where everyone was experiencing rate shock on their rates and then to get into such upheaval — I understand this also created great upheaval in the government caucus, to the point where the Premier had to come in and say: that's it; we've got a freeze in place. What should've come with that should've been a rollback.

I know that part of what I believe caused the swifter action on this particular issue was the result of the election in the Maritimes and then the result of the election in Ontario. Certainly, they recognized that what their own citizens were looking for was a rollback, and I think that what should have worked hand in glove with the freeze here in Alberta is exactly this rollback.

I know that my colleague had tried to get a series of amendments approved to negotiate as best we could on behalf of Albertans. You know, if we couldn't get a 15 percent rollback, then we would try for 10 or 5 percent or whatever we could get, because the point was that Albertans are paying far too much money. Now they're frozen into paying far too much money for whatever period of time it takes.

So I think it would have been only fair to have rolled back that 15 percent at the same time you were going to freeze. What we've had done now is that you're frozen at paying the higher rates, and who's getting the benefit of this action? The insurance industry gets the benefit of this action; that's who gets it. You know, every month we're paying that money. Either it's direct withdrawal out of our accounts, or we're writing a cheque to the insurance company. Over and over and over, month after month after month after month we are paying too much money.

So I think this amendment from Edmonton-Gold Bar is saving the government a great deal of embarrassment. This is exactly what should have been done, and I would have thought that they would be grateful that someone stood up and tried to do them a favour by doing what they should have done in the beginning.

Dr. Taft: Their faces are full of gratitude.

Ms Blakeman: Yeah. Their faces are full of gratitude. I don't think

What I would like to do is urge all members to vote in support of this amendment A2, and with that I will call the vote. Thank you very much, Mr. Chairman.

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

Dr. Pannu: Thank you, Mr. Chairman. I rise to speak on amendment A2 to Bill 53 as we deal with it at the committee stage of debate on the bill. It's difficult to imagine how a bill which is as flawed as this one, a bill that fails as miserably as this one does in meeting the expectations of Alberta drivers, can be improved by simple amendments such as this one. But since the bill is before the

House, the best we can do is see if we can amend it to the best of our ability to address those flaws which are very difficult to address as a whole to really fix the bill.

The reason that this amendment is before the House is because the bill itself fails to acknowledge that we need to return to a more sane regime of premiums in this province, a regime that prevailed to some degree until the rates were allowed to increase on average about 57 percent in 2002, thanks to the approval by the Alberta insurance board for applications that were seeking those increases and thanks to the Minister of Finance, on whose watch these exorbitant increases were allowed to proceed. The freeze that's offered by the government and by this bill starts on October 31 or November 1 of this year. They're frozen at that point.

The point that I made during second reading needs to be reiterated here. That freeze really is a shell game. It, in fact, certifies, puts this legislative stamp of approval on those exorbitant rate increases that were sanctioned in 2002. So to vote for the freeze is really to say that the decision was correct and that, therefore, all we need to do is put a legislative seal of approval on it. I can't, frankly, vote for this bill for that reason alone, because doing so would mean approving or collaborating with the government, which, in the first place, sanctioned those exorbitant, simply unjustifiable increases to the tune of 57 percent last year.

5:00

What Albertans are looking for is fairness in the legislation. They don't find it in Bill 53. It is not fair. It still leaves certain parts of the province, such as Edmonton, out on a limb, having to pay higher premiums than other places. There are close to a million Albertans who live in the greater Edmonton area, and they will not receive fairness if this bill is passed.

The second intent of any decent piece of legislation should be to offer Albertans an arrangement which guarantees the lowest cost, the lowest premiums. This bill simply fails to deliver on that expectation. It fails because it has completely overlooked, ignored, rejected, as a matter of fact, the option of public auto insurance, which in the other three western provinces has proven to be the appropriate instrument if the intent is to offer drivers in this province the lowest cost premiums and the highest rate of benefits.

The reason that public auto insurance does that is because it's cheaper to administer that kind of auto insurance plan. With private plans estimates of uninsured motorists range, again, from 10 to 20 percent, and that clearly is unacceptable. This increases the cost to the rest of the drivers, and when a decision is made through legislation to establish compulsory and universal coverage, it follows that there must be an obligation for government to deliver auto insurance at the lowest possible price.

The test of that involves how much of the premium dollar gets back to the motorists in settlement of claims. And on that one, Mr. Chairman, recently published annual financial reports illustrate how the administrative costs of public plans avoid costly administrative duplication and are only one-half as much as those incurred by private insurance companies. Public plans return the maximum of each premium dollar invested by motorists, almost 85 to 90 cents on the dollar, compared to private insurance returns of approximately 70 cents on the dollar. The inclusion of basic compulsory automobile insurance with the licence plate is the most economic and efficient method of delivery.

So we need to do that. We need to have legislation which follows that route and undertakes to implement these measures which will reduce the costs, return the maximum premium dollars back to drivers in the form of coverage and compensation. Supplementary auto insurance is also available, of course, and that can be used.

The point is that the proposal as contained in Bill 53 to allow things as they are to continue in this province will not, cannot deliver premiums that are comparable to the other three provinces. So the question arises: why does Alberta want to be the odd man out? Why does the government of this province want to be the odd government out when the other three provinces, regardless of the kind of government they have, have embraced, have benefited, and are enjoying those benefits over the last so many years because they all have adopted public auto insurance?

That's not the case with Bill 53. It simply denies Albertans the choice of public auto insurance and intends to continue to allow conditions in this province to prevail, which will mean that Albertans will have to pay far higher premiums, enjoy a lot fewer benefits, and allow the insurance companies to drain away the profits that they make from continuing with these private practices out of the province.

So, Mr. Chairman, although 15 percent is not enough to compensate drivers who have been gouged to the tune of 57 percent for the last year or more, it's better than, I suppose, nothing. If Nova Scotia can impose a rollback of 20 percent, if New Brunswick can contemplate taking those actions, why is it that Alberta, where the government must accept the responsibility of having allowed those exorbitant increases to the tune of 57 percent a year ago, can't say: we made a mistake, and we're going to take action and roll back premiums by 15, 20 percent, or whatever, not starting the 1st of November, 2003, but we're going to go back and force insurance companies to return to Albertans the premiums that they gouged them for from the time that those 57 percent increases came into play?

This particular amendment stops short of seeking that kind of redress for all drivers, but it's better than what the bill proposes. So I will, Mr. Chairman, support this amendment for that reason.

Thank you.

[The voice vote indicated that the motion on amendment A2 lost]

[Several members rose calling for a division. The division bell was rung at 5:09 p.m.]

[Ten minutes having elapsed, the committee divided]

[Mr. Shariff in the chair]

For the motion:

Blakeman	MacDonald	Taft
Carlson	Pannu	
5:20		
Against the motion:		
Abbott	Hancock	McClelland
Ady	Herard	Melchin
Boutilier	Hlady	Oberg
Broda	Horner	O'Neill
Calahasen	Jacobs	Rathgeber
Cao	Johnson	Renner
Cenaiko	Jonson	Stelmach
Danyluk	Knight	Strang
DeLong	Lord	Taylor
Doerksen	Lougheed	VanderBurg
Goudreau	Magnus	Woloshyn
Griffiths	Marz	Zwozdesky
Haley		
Totals:	For - 5	Against – 37

[Motion on amendment A2 lost]

The Deputy Chair: The hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Thank you very much, Mr. Chairman. At this time I would like to continue the debate at committee on Bill 53, the Insurance Amendment Act, 2003 (No. 2). If you don't at first succeed, try again. I have another amendment that I would like at this time to present to the Legislative Assembly. I believe it has already been dropped at the table. If we could circulate it to the members, I would be grateful.

The Deputy Chair: Hon. members, the amendment is being circulated now, and for the record we shall refer to this as amendment A3

The hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Thank you very much, Mr. Chairman. This amendment was previously discussed by the hon. Member for Medicine Hat, and certainly it has been a proposal that we have looked at going back to June and to July, when we had first looked at the Automobile Insurance Board. This amendment that I would like to move as it reads is that Bill 53, Insurance Amendment Act, 2003 (No. 2), be amended in section 15 as follows. The proposed section 653 is amended in subsection (1) by striking out "and" at the end of clause (a) and adding the following after clause (a):

(a.1) a consumer representative appointed by the Minister, and by adding the following after subsection (1):

- (1.1) The consumer representative referred to in subsection (1)(a.1)
 - (a) must have expertise and experience in consumer issues in the area of automobile insurance, and
 - (b) must not be
 - (i) an adjuster,
 - (ii) a director or officer of a provincial company,
 - (iii) a director or officer of an extra-provincial company,
 - (iv) a director or officer of a federally authorized company,
 - (v) a director or officer of a financial institution,
 - (vi) an insurance agent,
 - (vii) a director or officer of a life company,
 - (viii) a director or officer of a mutual provincial com-
 - (ix) a director or officer of a property and casualty company, or
 - (x) a special broker.

Now, Mr. Chairman, to all members of the Assembly, what we need in this proposed automobile insurance rate board is a consumer representative, and this is a good start. The four individuals that currently are involved with the Automobile Insurance Board I'm sure are fine individuals, but we need specifically in the future to have a consumer representative, someone that's entirely at a distance from the insurance industry. This is one way of taking a bill and trying to make it better. We have to put the interests, again, of consumers first, and this is a start. If I feel like the repairman from the appliance store that can't get any respect, that's fine, but this is a necessary repair to this bill.

I would urge all hon. members, in the interests of consumer protection and representing the interests of consumers at the proposed automobile insurance rate board, that this amendment be considered by all members. Thank you.

The Deputy Chair: Hon. Member for Edmonton-Riverview, are you rising to speak?

Dr. Taft: No. I was stretching. Thank you.

The Deputy Chair: The hon. Member for Medicine Hat.

Mr. Renner: Thank you, Mr. Chairman. This is, in fact, the amendment that I was referring to earlier. This amendment, frankly, makes some sense. Just for clarification purposes, just in case any members are not aware, in the amendment here when it makes reference to a provincial company or an extraprovincial company, that's in the context of the Insurance Act. So that refers to an insurance company, and it's in the context of the Insurance Act where this amendment will be going. That is the intent.

Given the time, Mr. Chairman, I would move that we adjourn debate on this bill at this time.

[Motion to adjourn debate carried]

The Deputy Chair: The hon. Government House Leader.

Mr. Hancock: Have you called it adjourned?

The Deputy Chair: Well, we had a vote on adjourning debate.

Mr. Hancock: I think we're ready to vote on this amendment, so if you could bring the bill back to the floor.

The Deputy Chair: Hon. members, we will need unanimous consent to bring the matter back to committee and have a vote on the amendment.

[Unanimous consent granted]

[Motion on amendment A3 carried]

The Deputy Chair: The hon. Government House Leader.

Mr. Hancock: Thank you, Mr. Chairman. I would move that we rise and report.

[Motion carried]

[Mr. Shariff in the chair]

Mr. Lougheed: Mr. Speaker, the Committee of the Whole has had under consideration and reports progress on Bill 53. 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: Does the Assembly concur in the report?

Hon. Members: Agreed.

The Acting Speaker: Opposed? So ordered.

I see the clock very close to striking 5:30. The House stands adjourned until 8 p.m.

[The Assembly adjourned at 5:30 p.m.]