



Province of Alberta

The 29th Legislature  
Fourth Session

# Alberta Hansard

Wednesday afternoon, June 6, 2018

Day 39

The Honourable Robert E. Wanner, Speaker

## Legislative Assembly of Alberta The 29th Legislature

### Fourth Session

Wanner, Hon. Robert E., Medicine Hat (NDP), Speaker  
Jabbour, Deborah C., Peace River (NDP), Deputy Speaker and Chair of Committees  
Sweet, Heather, Edmonton-Manning (NDP), Deputy Chair of Committees

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Deputy Leader of the Official Opposition  
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Anderson, Wayne, Highwood (UCP)  
Babcock, Erin D., Stony Plain (NDP)  
Barnes, Drew, Cypress-Medicine Hat (UCP)  
Bilous, Hon. Deron, Edmonton-Beverly-Clareview (NDP)  
Carlier, Hon. Oneil, Whitecourt-St. Anne (NDP)  
Carson, Jonathon, Edmonton-Meadowlark (NDP)  
Ceci, Hon. Joe, Calgary-Fort (NDP)  
Clark, Greg, Calgary-Elbow (AP),  
Alberta Party Opposition House Leader  
Connolly, Michael R.D., Calgary-Hawkwood (NDP)  
Coolahan, Craig, Calgary-Klein (NDP)  
Cooper, Nathan, Olds-Didsbury-Three Hills (UCP)  
Cortes-Vargas, Estefania, Strathcona-Sherwood Park (NDP),  
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Cyr, Scott J., Bonnyville-Cold Lake (UCP)  
Dach, Lorne, Edmonton-McClung (NDP)  
Dang, Thomas, Edmonton-South West (NDP)  
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Fitzpatrick, Maria M., Lethbridge-East (NDP)  
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Official Opposition Deputy Whip  
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Gotfried, Richard, Calgary-Fish Creek (UCP)  
Gray, Hon. Christina, Edmonton-Mill Woods (NDP)  
Hanson, David B., Lac La Biche-St. Paul-Two Hills (UCP)  
Hinkley, Bruce, Wetaskiwin-Camrose (NDP)  
Hoffman, Hon. Sarah, Edmonton-Glenora (NDP)  
Horne, Trevor A.R., Spruce Grove-St. Albert (NDP)  
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Kazim, Anam, Calgary-Glenmore (NDP)  
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Woollard, Denise, Edmonton-Mill Creek (NDP)  
Yao, Tany, Fort McMurray-Wood Buffalo (UCP)  
Vacant, Fort McMurray-Conklin  
Vacant, Innisfail-Sylvan Lake

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New Democratic: 54   United Conservative: 25   Alberta Party: 3   Alberta Liberal: 1   Progressive Conservative: 1   Independent Conservative: 1   Vacant: 2

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## Legislative Assembly of Alberta

1:30 p.m.

Wednesday, June 6, 2018

[The Speaker in the chair]

**The Speaker:** Good afternoon.

**Mr. Alfred Macyk**  
March 2, 1924, to May 1, 2018

**The Speaker:** Hon. members, as is our custom, we pay tribute to members and former members of this Assembly who have passed away. Mr. Alfred Macyk was elected as the Liberal Member for Redwater on June 29, 1955, and served for the duration of the 13th Legislature. Prior to his election he served in the Royal Canadian Air Force from 1942 to 1945 and served as a councillor for the municipal district of Smoky Lake from 1953 to 1955. Mr. Macyk passed away on May 1, 2018, at the age of 94.

In a moment of silent contemplation I ask you to remember Mr. Macyk as you may have known him.

Please be seated.

### Introduction of Visitors

**The Speaker:** Hon. members, with our admiration and respect there is gratitude to members of the families who shared the burdens of public office and public service. Today I would like to welcome members of the Macyk family who are present in the Speaker's gallery. Please rise if you might as I call your name and remain standing until all have been introduced: Rose Kleparchuk, Peter and Faye Macyk, Doug and Paulette Macyk, Gary and Bernice Macyk, Don and Marilyn Macyk. Thank you for joining us today and for your service to our province. Thank you very much.

### Introduction of Guests

**The Speaker:** The hon. Member for Edmonton-South West.

**Mr. Dang:** Thank you, Mr. Speaker. Now, it's my real pleasure today to rise and introduce to you and through you to all members of the Assembly a couple who I literally could not be here today without. It's Cindy and Daniel Dang, who are my parents. They are in the gallery today. I want to tell you a bit of a story if the House would indulge me. They have two children, one very successful, who's done great things, just graduated from Harvard with a master's in landscape architecture. The other one is an MLA. My mom and dad are here to visit, and as they can finally see, I actually have a job. Here I am. Here we are. If they could please rise and receive the traditional warm welcome of the Assembly.

**The Speaker:** Welcome. I need to let you know that the first week I met this young man, I gave him some advice and said: listen to your parents.

The hon. Member for Strathcona-Sherwood Park.

**Cortes-Vargas:** Thank you, Mr. Speaker. I would like to introduce to you and through you to all members of this Assembly family members of a constituent of mine and our current page Jessica Hermary. They are seated in the Speaker's gallery, and I ask them to rise as I say their names: her mom, Nadine Hermary; grandmother Erika Auton, great-grandmother Sofia Lochner, and great-aunt Margaret Lochner, who are here visiting from Hamilton, Ontario; and grandmother June Hermary and her husband, Lorne Cain, visiting from Parksville, B.C.

Jessica's family is here in the Speaker's gallery today to watch Jessica in her role as a page. She's been positioned here since 2016. I know I say on behalf of all members that it's our pleasure to work with her. I invite all members of this Assembly to give the traditional warm welcome, please.

**The Speaker:** Thank you.

The hon. Member for Calgary-Fish Creek.

**Mr. Gotfried:** Thank you, Mr. Speaker. It's an honour today to rise and introduce to you and through you some humble, hard-working, law-abiding Albertans, who happen to be unitholders of time-shares of Northmont Resort Properties in Fairmont, B.C. I'd ask them to rise as I call their names and remain standing to receive the warm welcome of this House: Helen Engels and her son, Richard Engels, who have a claim against them for \$31,000; Randall Dodds of Edmonton, a claim against him for \$24,000; Jerry Kucharzow of St. Albert, a claim of \$54,000; Dennis and Rosanna Loughlin of St. Albert, \$30,000 for collectively \$139,000. Unable to join them today were their daughter and son-in-law, who have a claim against them for \$50,000. I would like the House to give them a warm welcome, as is typical in this Assembly.

**The Speaker:** Welcome.

The Minister of Indigenous Relations.

**Mr. Feehan:** Thank you, Mr. Speaker. It's my pleasure to rise today to introduce to you and through you to all the members of the Assembly four guests who attended the Seniors' Week tea earlier today: Shari Hallam and Susan Parr, who live in Edmonton-Rutherford; Sharon Chadwick, who lives in Edmonton-Gold Bar; and Bonnie Albrecht, who lives in Sherwood Park. I'm pleased that they're able to join us today to watch question period. I ask them to rise, as they have, and receive the warm traditional greeting of this Assembly.

**The Speaker:** Welcome.

The hon. Member for Edmonton-McClung.

**Mr. Dach:** Thank you very much, Mr. Speaker. It's my pleasure to introduce to you and through you to all members of the Assembly one of my fantastic constituency assistants, Adiatu Kuyatah, and her son, Hamzah Koroma. Adiatu is a social worker in my constituency, and I could not do without her. Hamzah is a student at Dickinsfield junior high school, where he is also president of the students' union. His keen interest in politics led him to apply as a page here at the Legislature, and I hope he's interested enough after today's proceedings to want to become an MLA as well. I ask Adiatu and Hamzah now to rise and receive the warm welcome of this Assembly.

**The Speaker:** Welcome.

The hon. Member for Fort McMurray-Wood Buffalo.

**Mr. Yao:** Thank you, Mr. Speaker. I'd like to introduce to you and through you to all members of the Assembly Nick Dira. Nick is a spinal cord injury survivor who has had an experience in navigating the bureaucracy of our Alberta Health Services as he tries to get the supports that he requires, at points in his treatment and rehabilitation funding his own treatments during the gaps in our system. I ask that the House please acknowledge Mr. Dira and give him a warm welcome.

**The Speaker:** Welcome.

The hon. Minister of Health.

**Ms Hoffman:** Thank you, Mr. Speaker. June is recognized as stroke awareness month in Canada, and it's an important opportunity to build awareness about the signs of strokes and empower Albertans to live healthier lives. I want to commend the Heart and Stroke Foundation for its work raising awareness, helping support survivors, enhancing research, and improving stroke care here in Alberta as well. I invite Donna and Owen from the Heart and Stroke Foundation – they're seated in the members' gallery – to please rise and receive our warm welcome.

[Remarks in Tagalog] Mr. Speaker, it's my honour to introduce some strong advocates who are leaders in our Filipino community to join us in celebrating as our government proclaimed June as Philippine Heritage Month in Alberta for every June moving forward. I ask that my guests who are here today please rise as I say their names: Marilda, Edwin, Aimee, Celso, Genevieve, Julie, Tony, Jo-Ann, Beatriz, Nicky, and if there are any others. [Remarks in Tagalog] Thank you all for all of your work in supporting Filipino Albertans and all Albertans and getting to know Filipino Albertans as well.

Thank you for being here.

### Members' Statements

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

1:40

#### Filipino Community

**Mr. Kenney:** Thank you, Mr. Speaker. I'm pleased to rise to join with other members in celebrating Philippine Independence Day. Alberta is fortunate to be the home to tens of thousands of Canadians of Filipino origin. In fact, I was proud as minister of immigration to oversee a period when Philippines became for the first time in Canadian history the top, number one source country of immigration to Canada. Partly through the expansion of the Alberta immigrant nominee program during my tenure we managed to see a significant expansion of the size of Alberta's Filipino community, people who for the past several decades have brought tremendous compassion, work ethic, devotion to family and community that have helped to build our prosperity and contributed in every walk of life.

Mr. Speaker, one of the things as a former federal immigration and multiculturalism minister that I appreciate most about the Filipino community is how it has sunk roots in communities large and small in every part of our province and country. It is often true that immigration patterns tend towards big cities, but we can visit some of our smallest towns and even villages in some of the most remote parts of Alberta and see nascent and growing Filipino communities who are reviving their local community, their charitable organizations, their churches, their schools, and their local economies.

This is an opportunity for us to celebrate our friends in Philippines, a country I've had the opportunity to visit on several occasions, and to wish them on this important day peace and prosperity but also an opportunity to thank Albertans of Filipino origin for the sacrifices that they have made and make every day to make Alberta a better place. To all of them, [Remarks in Tagalog].

#### LGBTQ2S Rights

**Connolly:** Mr. Speaker, 2018 Edmonton Pride Festival kicks off this weekend. I have to say that it is one of my favourite events of the year, and I know it's one of our Premier's favorites as well. I'm also excited and honoured to be able to march alongside the

Member for Strathcona-Sherwood Park and the Minister of Culture and Tourism as three of this year's parade marshals.

Our government is proud to support all of Alberta's pride festivals, including Taber Pride, which the Minister of Environment and Parks and I had the pleasure of attending just last weekend. These events are an opportunity for Alberta to showcase the best qualities of our province: love, respect, and freedom to be yourself.

Pride is also a celebration of strength and courage. For many people pride is about remembering those loved ones lost during the AIDS crisis. People have fought long and hard to be able to celebrate and take pride in our LGBTQ2S community.

We know that all societies, even in Alberta, still have work to do to ensure that we are inclusive and providing safe environments for everyone. Every member of this House can take steps to ensure that every person, whether gay, straight, bi, cis, queer, questioning, intersex, pansexual, asexual, two spirit, and/or transgendered, knows they are welcome and safe in our province.

The NDP has always fought for the LGBTQ2S-plus community. Several of us are proud members of it. In fact, the first time I met our Premier was at Calgary Pride in 2011, before I was even out. This past year we defined in law that students have the right to form GSAs without having to seek permission. The opposition stands against this, and they recently reaffirmed this stance at their founding meeting.

Mr. Speaker, this is discrimination and just goes to show that there is still work to be done. I want Alberta's LGBTQ2S community to know that our government and our party have your back, and we will fight for your right not just during Pride Week, not just by paying lip service by flipping a couple of pancakes, but every single day. LGBTQ rights are human rights, and we will defend them.

Thank you.

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

#### Seniors' Issues

**Mr. Hanson:** Thank you very much, Mr. Speaker. While we sit here in the House and listen to this government continuously pat themselves on the back, most Albertans see it for what it really is: lip service. During this week, proclaimed as Seniors' Week to recognize the contribution of our great seniors, I can't help but think of issues that have come forward in the House recently and some that have been raised for years.

Recently I brought forth an AHS decision to cancel mobile lab services to seniors' lodges in Alberta. Previously a lab tech would come to a site on a scheduled basis. Seniors, often fasting prior to their blood work, could get the collection done and then head directly for breakfast. Apparently this was seen as too convenient for seniors and too inconvenient for AHS. Now these same seniors, most on fixed incomes, will have to find their own transportation to a health care facility, stand in line to be processed, sit in a waiting room with people who may have a contagious condition, and then find their own way back to the lodge. How does this make sense even to AHS?

Meanwhile, seniors in some long-term care facilities in Alberta are still subjected to what I like to call sourced lunches from off-site procurement, or SLOP for short. For those people in long-term care often the main thing that they have to look forward to are the daily mealtimes. How disappointing when the same tasteless mass is served over and over. This is definitely not the case in all facilities. Most that I have visited have great-quality, fresh-prepared

on-site meals. All of our seniors deserve the best quality treatment and the best quality food.

Both of these issues have only been met with lip service from this government. We hear: my office is always open; call at any time if you have specific issues. How many times do these issues have to be brought forward before they're dealt with? These are not random issues; these are province-wide. These are real people. Simply proclaiming something like Seniors' Week does not mean anything unless you actually act. These issues are a simple fix for this minister, and this would be a great week to take care of it. Our seniors deserve nothing less.

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

### Filipino Community

**Mr. Carson:** Thank you, Mr. Speaker. This June 12 marks 120 years since the Philippines was declared independent from Spanish colonial rule. I'd like to take this opportunity to salute the local Filipino community and the people of the Philippines on the celebration of their independence.

On June 3 I was proud to join the Deputy Premier in announcing June 2018 and every June to follow as Philippine Heritage Month in Alberta. This month is a time to celebrate and recognize the significant contributions of Filipinos and Filipinas to our province.

Alberta is home to the second-largest Filipino population in Canada, and the over 175,000 Filipinos which call Alberta home contribute enormously to our culture, our society, and our quality of life. Like anyone who chooses Alberta as home, they come to our province to work hard and to make lives better for their families and loved ones. But in some cases new Canadians of Philippine descent were not treated fairly, having their rights as workers ignored.

Mr. Speaker, in my capacity as an MLA I've had the opportunity to learn about the organization Migrant Alberta, an education and advocacy group based in Edmonton. Migrant Alberta was formed to help address the issues facing migrants and provide assistance where they can. It's a sad truth that many people who come to Canada from the Philippines under the temporary foreign worker program have not been given the same rights as other workers.

Last week I was able to join them for the launch of their new book, titled *Bridging the Gap*, which was made possible due in part to a grant provided through the Ministry of Culture and Tourism. The book chronicles the life of several immigrant communities as they struggled to make a new home here in Canada and the structural injustices that they faced.

During Philippine Heritage Month let us all celebrate the wonderful things that Alberta Filipinos have brought to our province and continue to work to bring fairness and justice to all Filipino and Filipina workers. [Remarks in Tagalog]

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

### Economic Indicators

**Mr. Hunter:** Thank you, Mr. Speaker. I've sat here day after day listening to the NDP government throw out all sorts of numbers. Well, it's time to set the record straight. Let's start with the whopper that Alberta has been broken for the past 44 years. Well, here are the facts. If you look at a longitudinal graph showing Alberta's gross domestic product, there have only been two times where we have seen a drop, in 2008 and after the NDP took office. You will remember that the 2008 crisis was one of the worst financial crises the world has seen in 80 years.

Let's look at another indicator, average weekly earnings. The NDP's 2018 budget is called A Recovery Built to Last. Well, not

when you're racking up \$96 billion of debt. How is that a recovery to last? But I digress. Fact check: in the three years this government has been in power, Albertans have seen a three-quarters of 1 per cent increase, .74 per cent, in average weekly earnings. With inflation at 4.56 per cent over the same period, it is easy to see why the NDP had to change their motto from making life better for Albertans.

Let's end off with the whopper that the NDP continue to say that they have added 90,000 new jobs. Fact check, Mr. Speaker: we have only seen an increase of 17,800 new jobs since this government was elected, in May of 2015. Put another way, that only employs 25 per cent of the 70,000 new people that have moved into Alberta in the past three years.

In conclusion, Mr. Speaker, I invite the members of this government to stick to the facts. If not, I can always do another fact check in the future.

**The Speaker:** The hon. Member for Red Deer-South.

### Health Care for Transgender Persons

**Ms Miller:** Thank you, Mr. Speaker. Today I rise to speak about the challenges transgender individuals face while seeking medical care. In no other community is the link between rights and health so clearly visible as in the transgender community. Transgender individuals often face significant barriers to health care. There are medical professionals who have no training on transgender health and aren't familiar with the basic issues that transgender patients face.

Our health care system should be a place of understanding and compassion, yet when trans individuals reach out for help, they often find doctors, nurses, and other health care professionals who are poorly informed. This lack of medical care leads to fear and isolation. About three-quarters of trans youth were uncomfortable or very uncomfortable discussing their trans status and specific health care needs with doctors at walk-in clinics. This is unacceptable. All Albertans are entitled to quality, judgment-free health care. There should never be a barrier between a physician and a patient.

1:50

However, I am pleased to say that some things are getting better. In 2015 our government amended the Alberta Human Rights Act to make it illegal to discriminate on the basis of gender identity and gender expression, and in February of this year the gender health program at the University of Alberta opened its doors, the very first of its kind in the prairie provinces. But we know it's not enough. We need better medical and sensitivity training for doctors and medical staff so that they understand the health needs of transgender people, we need more psychiatrists who are qualified to diagnose gender dysphoria, and we need better access to gender-confirming therapy and better gender-affirming care.

It's a simple fact that when we as a society respect and normalize the rights and choices of others, including the right to determine one's gender, we are all healthier for it.

Thank you.

### Oral Question Period

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

### Calgary Crime Rate

**Mr. Kenney:** Thank you, Mr. Speaker. Now, today there was troubling news from the Calgary Police Service about a shocking

increase in crime, including violent crime, in Calgary over the past five years. The report indicates an increase of 43 per cent in the incidence of sexually related crimes in Calgary in the last five years. Child abuse is up by 29 per cent and domestic abuse is 41 per cent higher over the past five years. Does the Premier agree with me that these are disturbing statistics, and what actions does the government intend to take to help protect Calgarians and other Albertans from these higher levels of crime?

**The Speaker:** The hon. Premier.

**Ms Notley:** Well, thank you very much, Mr. Speaker, and thank you to the member for the question. Of course, these are very troubling statistics, and of course we will be working and continue to work very closely with our law enforcement officials to find the best path towards bringing those kinds of statistics down. I've not had a chance to review them as of yet, but I certainly anticipate doing that. It's fundamentally important that Albertans can know that we are living in safe communities and that they will be kept safe, so we'll do what is necessary to ensure that we can work with those law enforcement officials to meet that goal.

**Mr. Kenney:** Mr. Speaker, I thank the Premier for her answer. The same report from the Calgary Police Service indicates a 33.6 per cent increase in assault crimes, a 22 per cent increase in home invasions, and a 25 per cent increase in financial robberies over the past five years. Will the Premier agree with me that the federal government reducing and eliminating mandatory minimum sentences in the Criminal Code is unhelpful and sends the wrong message to those who are victimizing innocent civilians in our society?

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

**Ms Ganley:** Thank you very much, Mr. Speaker and to the member for the question. Of course, the statistics are always troubling. That's why our government is taking the steps of ensuring that we are investing in our law enforcement professionals. It's also critical at these times – and our police would agree with me – that we continue to invest in social services, in health services, and in many other services to ensure that we're moving forward in a number of areas. I think all levels of government have acknowledged that they have a role to play in this. We'll continue working to move the needle on this issue.

**Mr. Kenney:** Mr. Speaker, I thank the hon. the minister, but we're not moving forward. Maybe we're spending more money, but we're moving backwards in terms of results, with a 42 per cent increase in sex offences in our largest city over the past five years. Will the minister agree with me that if more money has not resulted in lower crime levels – we're actually seeing an increase in crime – that perhaps we should have tougher laws that ensure that, in this case, sex offenders actually stay behind bars and don't manage to get out on suspended sentences or conditional release? Would she not as the Attorney General call on her federal counterpart to support such measures?

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

The Minister of Justice and Solicitor General.

**Ms Ganley:** Thank you very much, Mr. Speaker. Again, we have not reviewed these numbers in depth, and we're happy to take a look at them and to consider them thoroughly. We are always concerned about any increase in crime statistics. Certainly, this government has taken some steps to ensure that we're making

progress on the issue of sexual violence. I had the honour of introducing a bill to remove the limitation period for women seeking recompense for such things. In addition, we've recently introduced police guidelines for sexual violence crimes. These will help police to understand and to work with those survivors to make sure that everyone gets the supports they need.

**The Speaker:** Thank you, hon. minister.  
Second main.

### Union Certification

**Mr. Kenney:** Thank you, Mr. Speaker. On a different matter, it's come to light that changes made by the NDP government to the labour code in fall of last year have resulted in a bizarre situation where people can be unionized without their knowledge or consent. This is a result of a recent Labour Relations Board ruling, which says, "The possibility of certification without a representation vote is now a feature of Alberta's labour [regulations] legislation." Why is it now possible under NDP rules to force people to unionize with neither their knowledge nor their consent?

**The Speaker:** The hon. Premier.

**Ms Notley:** Well, thank you very much, Mr. Speaker. It didn't exactly come to light, Mr. Speaker; it was actually a featured element of the changes that were made to the labour code by our government some time ago. This is called an automatic certification, something that happens in almost every jurisdiction across the country. In fact, the threshold for that presumption here in Canada is much higher than in other jurisdictions, but it is a long-standing mechanism that's in place to ensure that there is not a case – anyway, ultimately, it's a standard feature of labour relations codes across the country.

**The Speaker:** Thank you.

**Mr. Kenney:** Mr. Speaker, I thank the Premier for admitting that they actually want a province where people can be forced into a union with neither their knowledge nor their consent, but I think Albertans disagree. They want the right to make their own decisions for themselves in their workplace. Rose and Joe Visser, two employees at a small family business, ended up being members of a union without their knowledge or their consent, and they wonder why. They complained to the Labour Relations Board, which said: so sad; too bad; these are the new rules under the NDP. What does the Premier have to say to Rose and Joe Visser, who were forced into a union without their knowledge or their consent?

**The Speaker:** The hon. Premier.

**Ms Notley:** Well, thank you very much, Mr. Speaker. That particular element of union organizing has been upheld by the Supreme Court of Canada and, in fact, was upheld as a fundamental component of labour rights by the Supreme Court of Canada decades ago as part of an overall regime of understanding international human rights. So that is how labour relations works. That's how organizing works. The majority rules. That's how you get a certification. This is not new, and it is about time that Alberta finally join the rest of the country with modern labour laws that protect working people.

**Mr. Kenney:** Mr. Speaker, I can't think of a better example of NDP ideology than imagining that forcing people to do something without their knowledge or consent is a, quote, international human right.



Now, the same law the NDP brought in has resulted in intimidation of people to force union certification cards against their wishes. Vulnerable immigrant workers in Calgary on a job site last year were told that if they didn't join, they could be deported. Mr. Speaker, does the Premier stand behind the law that is resulting in the intimidation of vulnerable workers?

**The Speaker:** Thank you.

The hon. Premier.

**Ms Notley:** Thank you, Mr. Speaker. What I stand behind is a law that protects workers from intimidation in a work site where their employers use the control of the work site that they have to prevent workers from exercising their fundamental human rights as recognized by the Supreme Court of Canada. It is something that we were very proud to bring forward because Alberta had for a very long time been well behind the rest of the country, failing to recognize fundamental human rights and worker rights, and we are proud to have changed the record.

**The Speaker:** Third main question.

**Mr. Kenney:** So, Mr. Speaker, now according to the Premier it's a fundamental human right to be intimidated by unions in order to sign a certification card. According to one vulnerable immigrant worker on a Calgary work site he said that the organizer, quote: used my signature not for a receipt like he said but to sign me up for the union. Is it now the Premier's position that committing fraud and getting somebody to sign a certification card under false pretenses is a fundamental human right?

**Ms Notley:** No, Mr. Speaker. I would suggest that it is a fundamental human right to have those kinds of issues adjudicated by a fair and impartial panel, and that's exactly what the laws that we brought into place would ensure happens. So if an employer, who the member opposite is speaking on behalf of right now, is not happy with the fact that 60 per cent of their employees signed cards, then they can challenge those cards. They can challenge whether they were appropriately signed, and if they are successful at challenging them, then the certification will not happen. That's a fair process. That's what we brought into the province of Alberta finally, after decades of failure on the part of the Conservatives.

2:00

**Mr. Kenney:** Well, Mr. Speaker, there the Premier is owning and defending intimidation of vulnerable immigrant workers by union organizers who committed fraud in order to get people to sign cards under false pretenses. [interjections] One of these vulnerable immigrant workers – you hear the heckling? That never stops. One of the vulnerable immigrant workers said, quote, my last paycheque was short \$700 thanks to this union certification, that I opposed. Why is the Premier justifying coercion and intimidation as tactics that have resulted from her government's attack on workplace democracy?

**The Speaker:** The hon. Premier.

**Ms Notley:** Thank you very much, Mr. Speaker. I guess I'd start by saying: why is the member opposite making stuff up like he just did? That is not at all what I said. I wish he would stop suggesting that I said things that I did not. The fact of the matter is that for many, many years the International Labour Organization, the United Nations, had actually looked at Alberta's labour laws and acknowledged that they were in breach of the International Labour Organization's international standards for a fair workplace. We are pleased that finally the province of Alberta has come into line with

the rest of the country and, quite frankly, is leading countries and the rest of the world.

**Mr. Kenney:** Mr. Speaker, this is slightly Orwellian to hear the Premier justifying these kinds of intimidation tactics, this absence of workplace democracy under the aegis of human rights. Effectively, what the NDP has done is to say that it is no longer a requirement to have a secret ballot vote that protects workers from intimidation either from employers or from union organizers. Why does the Premier have such a problem with the basic principle that workers should through a secret ballot vote be able to determine their own future democratically?

**Ms Notley:** You know, Mr. Speaker, I appreciate that the member opposite has some very interesting ideas, perhaps even slightly paranoid ideas, about the labour movement and about unions. It's that same kind of ideology, speaking of ideology, that resulted in us having labour laws and employment standards laws that allowed a woman who was trying to care for her sick child to be legally fired from her workplace because nobody would stand up for her in her workplace and she had very little access to anyone else who would stand up for her. We are proud that we have . . .

**The Speaker:** Thank you, hon. Premier.

The hon. Member for Calgary-Elbow.

#### Trans Mountain Pipeline Public Purchase Agreements

**Mr. Clark:** Well, thank you very much, Mr. Speaker. Now, it's been a week and a day since the deal was announced to purchase the Kinder Morgan pipeline, but details about Alberta's participation remain a mystery. Today the Alberta Party obtained the 121-page agreement between the federal government and Kinder Morgan and also a separate, shorter support agreement. I will table both of these documents at an appropriate time. One of the big questions I've been asked by my constituents is whether any Alberta taxpayer dollars will go directly to B.C. as part of their previously signed revenue-sharing agreement. To the Premier: will you release Alberta's agreement so Albertans can know that detail as well as all the other details of this agreement?

**The Speaker:** The hon. Premier.

**Ms Notley:** Well, thank you very much, Mr. Speaker. What I can say very definitively is that once all the ink is dried on the agreements – of course, the Alberta agreement needs to be finalized after the original agreement, that the member opposite just talked about. Once ours is complete, we will be happy to release it, subject, of course, to commercially sensitive information concerns, but we're pretty clear that we're going to be releasing the whole thing. I can also say that we've been very clear that any of the terms that would result in us paying anything under that amount that we discussed before – we had to be very clear that none of it was going to the province of B.C.

**Mr. Clark:** Well, thank you. I'm very glad to hear that. I look forward to seeing the full details of the agreement to confirm it.

Mr. Speaker, if the federal government can release their contract, there can't possibly be commercially sensitive information preventing the NDP from releasing the details of what Alberta's participation might mean. We deserve to know as Albertans the conditions that will trigger the \$2 billion investment and what exactly we will get for that money. Again to the Premier: do those details just not exist yet, or do you not want to release them?

**The Speaker:** The hon. Premier.

**Ms Notley:** Thank you very much, Mr. Speaker. No. In fact, those details do exist, and we will release them once the final agreements are crafted and signed off. As I said, it comes secondary to the final agreements that occur with respect to the federal government and Kinder Morgan. So the member opposite can expect that information to be released. It was a fundamental element of our engagement that what we did would be absolutely transparent to the people of Alberta, and we are committing to ensuring that that's exactly what happens.

**The Speaker:** Second supplemental.

**Mr. Clark:** Thank you very much, Mr. Speaker. Now, I want to be absolutely clear that the Alberta Party wants the Kinder Morgan pipeline built absolutely as soon as possible. Of course, we know the risks of that pipeline not going ahead, but there are risks inherent in any financial arrangement that the NDP will have signed on Alberta's behalf. It's been nearly a week since I asked the Premier whether the NDP has hired a neutral third-party expert to prepare a fairness assessment of the deal that Alberta signed. Premier, given that both the federal government and Kinder Morgan have hired outside third-party experts to prepare what's called a fairness assessment, will you ask either the Auditor General or a third-party expert to prepare a fairness assessment?

**The Speaker:** The hon. Premier.

**Ms Notley:** Thank you very much, Mr. Speaker. We'll certainly do whatever is necessary to ensure the integrity of our agreement. Of course, we had outside independent experts who were advising all of our engagement thus far. Obviously, the thing in our case is that our engagement is very conditional. It's much farther down the road, and it's for a much lesser amount. But that being said, we'll certainly look into the matters that the member opposite identifies, and as part of our overall commitment to transparency we will ensure that all the information that he is seeking is provided.

**The Speaker:** The hon. Member for Calgary-East.

#### **Executive Compensation Review**

**Ms Luff:** Thank you, Mr. Speaker. Under the previous government executive pay was wildly out of whack with the rest of the country. This extended to school superintendents. That's why I was pleased to see this week, after an extensive review, that superintendent compensation will be changed to be more reflective of the national norm. To the Minister of Education: how much is the government saving as a result of this review, and what kinds of outrageous perks are being eliminated?

**The Speaker:** The hon. Minister of Education.

**Mr. Eggen:** Thank you, Mr. Speaker. Superintendents do play an important role in our education system. They support elected boards, and they help with school divisions that are sometimes between hundreds or even tens of thousands of students. We know their work is invaluable, but we also know that public positions deserve fair and reasonable compensation but not excessive. So this new compensation framework will put \$1.5 million back into the classroom, and we'll no longer be paying for things like children's tuitions or for spouses to go to social events and so forth.

**The Speaker:** First supplemental.

**Ms Luff:** Thank you. Postsecondary presidents' compensation has also been changed under this government, again after an extensive review. To the Minister of Advanced Education: how much money is the government saving as a result of this review, and again what outrageous perks are being eliminated?

**The Speaker:** The hon. Minister of Advanced Education.

**Mr. Schmidt:** Well, thank you, Mr. Speaker, and thank you to the hon. member for the question. She's quite right. Under the previous government compensation for university and college presidents was way out of control and way out of touch with the expectation of Albertans. Our government expects that the majority of public money that we spend on universities and colleges goes towards the students as well as supporting staff and keeping education affordable and accessible for everyone. The changes that we brought to presidential salaries bring compensation in line with the rest of the country, and we expect that it will save about \$5 million a year. We've also prohibited sports memberships and . . .

**The Speaker:** Thank you, hon. minister.  
Second supplemental.

**Ms Luff:** Thank you. Finally, to the minister of the Treasury Board and Finance. Many of Alberta's agencies, boards, and commissions received exceptionally high compensation prior to the reviews undertaken by this government. How much money is the government saving as a result of this review, and for the last time what kinds of outrageous perks are being eliminated?

**Mr. Ceci:** Thank you, Mr. Speaker. We on this side of the House eliminate Conservative waste wherever and whenever we find it. Under the Conservative government salaries and perks were out of control and out of step with what Albertans expect comes to the public service. We challenged all of that. Our government eliminated and amalgamated some boards, saving \$33 million over three years. We also cut salaries for agency executives and eliminated taxpayer-funded perks like golf club memberships, saving another \$16 million. We did all of this on top of opening up the application process to boards so that Albertans can apply on a selected . . .

**The Speaker:** Thank you, hon minister. [interjections] Thank you, hon. minister. Heard that.

The hon. Member for Vermilion-Lloydminster.

#### **2:10 Trans Mountain Pipeline Public Purchase Agreements (continued)**

**Dr. Starke:** Thank you, Mr. Speaker. This past weekend the number one question I heard was: so how does it feel to be a pipeline owner? Yes, the federal government has spent \$130 each on behalf of every man, woman, and child in Canada to buy a 60-year-old pipeline and unknown hundreds more each to build a pipeline expansion that faces exactly the same obstacles and opposition that it did when Kinder Morgan owned the thing. To the Premier: now that we own this asset, how much is Kinder Morgan being paid both to manage the existing pipeline and to supervise building the expansion?

**Ms Hoffman:** You know what feels great, Mr. Speaker? It's having 15,000 people know that they're going to be able to work on this project. It also feels great knowing that there's \$15 billion coming back into the Canadian economy instead of sending that money

directly south of the border. I do want to clarify that there are many things that are different now that it's under federal ownership, including the fact of investor certainty, that the investors at the table, the investors committed to this project, and Canadians care about it. We're sure going to get our product to tidewater. Finally, after Conservative governments had many years to try to do it, this government is making it happen.

**Dr. Starke:** Mr. Speaker, with the exception of the employment, everything else the Health minister said I totally disagree with.

Given that the federal government bailout of Kinder Morgan has actually sent shock waves of uncertainty throughout the capital investment market and given that this flight of capital will mean that large-scale projects and the jobs they create will simply not go ahead, to the Premier: now that the federal government on behalf of the people of Canada owns the existing Trans Mountain pipeline, how does Bill 12 give Alberta the power to turn off the taps on this now federally controlled piece of infrastructure?

**The Speaker:** The hon. Minister of Energy.

**Ms McCuaig-Boyd:** Thank you, Mr. Speaker. I have to reiterate that it's great to see the progress for the pipeline. Certainly, Bill 12 was one of the pieces of legislation we passed. It's currently back in the tool box, but it will be brought out should we see frustration at any point along the way. As the Deputy Premier said, you know, we see a lot of progress. We see work coming. And I have to say that up where I live, people are very excited that this project is going ahead.

**Dr. Starke:** Mr. Speaker, given that the federal bailout of Kinder Morgan sets a troubling precedent for large-scale energy projects here in Canada and given that the Trans Mountain expansion met all the legal and regulatory requirements but was blocked by forces using means both illegal and unconstitutional and given that the federal government has shown that they will step in and buy major projects rather than deal with the illegal resistance, to the Premier: do you in principle support taxpayer-funded buyouts of projects that encounter opposition, and are you at all concerned about the message that this sends to private investors?

**The Speaker:** The hon. Minister of Energy.

**Ms McCuaig-Boyd:** Thank you, Mr. Speaker. You know, both the federal government and ourselves pushed ahead to secure a deal to build this pipeline to tidewater. I have to say that it's an investment. The federal government currently will own the existing pipeline, which, honestly, is a money-maker. It's full to capacity. The new pipeline as well is going to be an asset and an investment, and if they decide to sell it, they will make money off it.

#### Child Intervention Panel Recommendations

**Mr. Nixon:** Mr. Speaker, yesterday the Leader of the Official Opposition asked the Premier why the number of deaths of children in care in this province is, sadly, increasing. I sat on the child intervention panel and often had to remind people that it was created because of the horrible death of four-year-old Serenity. I continue to regret that the NDP refused to let us examine her case specifically. Paula Simons, the journalist credited with bringing Serenity's story to light, said about the panel's draft recommendations, "They won't save the life of one single child." Will the minister please explain how implementing the recommendations of the panel will save the life of a child?

**The Speaker:** The hon. Minister of Children's Services.

**Ms Larivee:** Thank you, Mr. Speaker. The death of any child is a tragedy. That's why we're committed to ensuring that children and youth get the supports that they deserve. The panel's recommendations and the upcoming action plan are a critical part of the work that we are doing to fix the system. For too long in Alberta previous governments dragged their feet on essential and long overdue improvements, and we are not going to let that happen again.

**Mr. Nixon:** Given that UCP members were firm in our criticism that the recommendations were too vague and high level, given that our request to review the final wording of the recommendations and subsequent action plan was outrageously blocked by NDP panel members, given that what the panel members were allowed to release at the end of the day were described by Paula Simons as "grand, overarching philosophical principles of the most high-minded sort" – when it comes to improving the nuts and bolts of the child welfare system itself, the report is sorely disappointing – Minister, why were the NDP panel members insisting on leaving the finer details to the very department that failed four-year-old Serenity?

**Ms Larivee:** Mr. Speaker, we know that the panel's recommendations are just a start. What really matters is that we take action. That's why we moved legislation within a month of the first phase of recommendations, and that's why we're working to implement the panel's latest recommendations as quickly as possible. We are working closely with indigenous leaders and communities, who know what work needs to be done. I very much look forward to sharing further information on the action plan later this month.

**Mr. Nixon:** Mr. Speaker, the minister has done nothing on the second phase in front of this House. That's for sure. Given that the panel's phase 2 recommendations don't include timelines for implementation, as the NDP kept insisting that those be left for the department, and given that, as Paula Simons has pointed out, there is no discussion of accountability in the panel's final report, released quietly on a Friday afternoon, right after the government announced its budget – she wrote at the time that a person "might be inclined to think the government was hoping no one would notice." I agree with that statement. Minister, why should Albertans believe that this panel was somehow different from all of the other panels? What will real change look like?

**The Speaker:** The hon. minister.

**Ms Larivee:** Thank you, Mr. Speaker. The Conservatives like to talk a big game, but when it comes time to take action, one member fell asleep during a panel meeting, and their most vocal critic didn't even show up to review the recommendations. It's clear where the Conservatives stand, and it's not with everyday Alberta families and children. Instead of working with us on solutions, as we see, they politicize the panel for partisan gain. They even chose to vote against essential funding to support child intervention. I know that Conservatives don't like showing up to work, but I'd like to hope that when the time comes to vote another time, they can actually bring themselves to do the right thing.

**The Speaker:** The hon. Member for Drayton Valley-Devon.

#### Educational Curriculum Redesign

**Mr. Smith:** Thank you, Mr. Speaker. I've spoken with multiple parents who attended the draft curriculum meetings which began

this past week. These parents indicated that the pattern of ministry secrecy continues, as it was made explicitly clear that there were to be no pictures or social media posts about the session. These parents felt intimidated by the staff present and described the staff as being openly hostile to questions they asked. Minister: is this the level of engagement we can expect from your staff as this process continues?

**The Speaker:** The hon. Minister of Education.

**Mr. Eggen:** Well, thank you, Mr. Speaker. As everyone knows, we are engaging in building curriculum for all grade levels and six subject areas. As part of that commitment we have prototypes of the K to 4 curriculum out now. We've been looking at it with school boards and postsecondary institutions and parent focus groups and teachers as well. We're conducting a series. I think there are seven or eight different zones and meetings where these are taking place. We're looking at the draft. When people make recommendations, then we will make adjustments along the way. This is very much a transparent process that's never . . .

**The Speaker:** Thank you, hon. minister.  
First supplemental.

**Mr. Smith:** Thank you, Mr. Speaker. Given that these parents described their frustration with the process because the staff involved seemed uninterested in actually listening to the parents and given that these parents noted that this session did nothing to dissuade their fears about how mathematics will be taught at the K to 4 level in Alberta when the new curriculum is rolled out in 2019, again to the minister: for the record can you once again make it abundantly clear that algorithms and memorization will form a fundamental aspect of the instruction of mathematics in the new curriculum?

**The Speaker:** The hon. minister.

**Mr. Eggen:** Well, thank you, Mr. Speaker. Certainly, what I will do is to make sure that we organize and have the very best people working on the curriculum around mathematics. That's why we have, in fact, the focus groups right now on the curriculum looking at mathematics and all of those other things. It's part of a process of moving towards building the curriculum prototypes for K to 4 by the end of the year. We're making adjustments as we go along. Certainly, the hon. member opposite, who seems like he's an expert in mathematics suddenly, can make a submission to the very same program.

**Mr. Smith:** Thanks for the invite.

Given that the parents I spoke with who attended different sessions all described the process as being overly secretive and given that this process will inevitably force parents to surreptitiously take pictures of the documents to share with other concerned parents and given that any parent who attended these sessions or future sessions will obviously have seen the draft curriculum, again to the minister: will you do the right thing and allow all Alberta parents to provide your ministry with feedback by posting the draft K to 4 curriculum online and soliciting feedback directly from parents?

2:20

**Mr. Eggen:** Well, Mr. Speaker, I mean, we are doing that very thing now, which is to have parents and focus groups scoping out this information.

You know, this whole idea of a conspiracy theory, a bogeyman around the curriculum, is just generated by the members opposite

in order to try to subvert the very public education system that we have been building over these last number of years. To suggest anything around secrecy and conspiracy theories not only undermines the integrity of what we're trying to do; it undermines the integrity of the members of the UCP.

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

### Rural Crime Reduction

**Mr. Strankman:** Thank you, Mr. Speaker. Earlier this week I presented the rampant problem of rural crime. A roving band of thieves went on a robbing and destruction spree, doing over \$100,000 of damage, and despite repeated calls the RCMP were hours away and unavailable to help. Minister, I asked you to provide details about where these 20 new RCMP you referenced have been stationed and have received no answer. Can you now table exactly where these officers were deployed?

**The Speaker:** The hon. Minister of Justice.

**Ms Ganley:** Thank you very much, Mr. Speaker. As I stated last time in answer to the exact same question, many of these new officers are in what are called crime reduction units, crime reduction units that are intending to focus on exactly the sort of offenders that the member referenced. These offenders don't stay in one jurisdiction. When they're discovered, they move to another jurisdiction. That's why we've created these crime reduction units, that are able to respond to that by moving like the offenders do.

**Mr. Strankman:** Given that only with the community's help were the accused eventually caught and then released on \$3,000 bail and given that when five police officers, two mayors, victims, and community members showed up at court, the accused defenders did not and given that a typical penalty for failing to appear in court has been embarrassingly reduced to a simple \$300 fine, Minister, isn't the forfeiture of bail and a token fine simply the cost of doing business for these criminals?

**The Speaker:** The hon. minister.

**Ms Ganley:** Thank you, Mr. Speaker. There was so much wrong with that question that I'm hardly able to address it all. It's absolutely the case that we're concerned about this issue. In fact, we have increased grants to organizations like Citizens on Patrol and rural crime watch to ensure that these citizens are able to help the RCMP, and they're happy to do so. In addition, we've increased funding to the RCMP to ensure that they can fight exactly these sorts of criminals. If only the members opposite had voted for it.

**Mr. Strankman:** Given that Bill C-75, which the federal minister says that you support, Minister, actually provides more opportunity to release offenders and allows judges to dismiss those who breach release conditions and given that that just props up the current catch-and-release judicial system, Minister, why are you knowingly supporting federal laws that make it easier for criminals who are plaguing rural Albertans to get back on the streets?

**Ms Ganley:** Mr. Speaker, nothing could possibly be further from the truth. We are engaging in a smart-on-crime strategy. That is a strategy that allows us to capture offenders and to build better cases against them in instances in which they should spend more time in jail. At the same time it's important to invest in social services. I know that the members across the way think that these services that allow addicts to be treated appropriately instead of thrown in jail,

which save money and increase safety, are just people putting poison into their veins, but we know that they're . . .

**The Speaker:** Thank you, hon. minister.  
Calgary-Glenmore.

### **Environmental Science Curriculum Redesign**

**Ms Kazim:** Thank you, Mr. Speaker. In my constituency of Calgary-Glenmore there is a wide variety of schools giving parents a choice in education that meets the needs of their children through quality education. I continuously hear from my constituents about how a curriculum update has been long overdue to teach children to be stewards of our environment. To the Minister of Education: what changes are being considered to ensure that our education is promoting environmental stewardship in Alberta schools?

**The Speaker:** The hon. Minister of Education.

**Mr. Eggen:** Thank you for the question. Certainly, we are always looking to ensure high-quality education through our curriculum, and we're focused on the priorities of regular Albertans, protecting and supporting education and the front-line services that their families depend on. We know that schools have some of the brightest, highest academic performers in the country and that we have one of the best education systems in Canada. The curriculum is a key component of that, keeping it updated and current and working closely with parents and students and teachers and postsecondary institutions to build a curriculum that's as high a quality as what we expect for . . .

**The Speaker:** Thank you, hon. minister.  
First supplemental.

**Ms Kazim:** Thank you, Mr. Speaker. Given that a lot has changed since the curriculum has been revised, to the same minister: what kinds of changes could we expect in the science curriculum that will teach children about the very important and real issue of climate change both in and outside of the classroom?

**The Speaker:** The hon. minister.

**Mr. Eggen:** Thank you, Mr. Speaker. Certainly, we've been working with our curriculum working groups, but we also have round-table discussions in regard to the energy industry, for example, agriculture and forestry, talking about working with energy systems and working with modernizing and developing each of these industries here in our province. So we work with postsecondary institutions, we work with industry, we work with teachers, and we work with parents to make sure that we build a solid curriculum that reflects both reality and the future of our province in a fundamental way.

**The Speaker:** Second supplemental.

**Ms Kazim:** Thank you, Mr. Speaker. Given that our understanding of climate change has evolved quite a bit since the last time the elementary school curriculum was updated, in 1996, to the same Minister of Education: what new information has been added about climate change?

**The Speaker:** The hon. minister.

**Mr. Eggen:** Thank you, Mr. Speaker. As pointed out before, some of our curriculum is more than 30 years old. The elementary science curriculum is more than 20 years old. At the time, I think, Windows

95 was kind of the latest thing, and we've moved on since then. The modern K to 12 curriculum will make sure that we have the skills for students to understand both the changing environment in which we live but also the changing industrial environment in which we live. So working together with both industry and postsecondary institutions, we are ensuring that we have modern concepts around climate change and around diversifying our energy . . .

**The Speaker:** Thank you, hon. minister.

### **Trans Mountain Pipeline Public Purchase Agreements** (continued)

**Mr. Panda:** Mr. Speaker, last week we learned about the government of Alberta's plan to backstop construction of the Trans Mountain pipeline expansion up to \$2 billion in case the project goes over budget. Since so many energy projects in this province experience schedule delays and cost overruns that can double a project's cost, will the Premier table the cost-benefit analysis that shows that Alberta will not go over the \$2 billion backstop? How will they recover this investment? And when will they get this project built?

**The Speaker:** The hon. Minister of Energy.

**Ms McCuaig-Boyd:** Thank you, Mr. Speaker. Certainly, Alberta worked hard with Canada to come to this agreement. It means 15,000 construction jobs, you know, 37,000 jobs once in service, and \$15 billion back into our economy. We're very proud of that. We've been very clear that our investment would be up to \$2 billion, but only once oil is flowing in the new pipeline.

**Mr. Panda:** Given, Mr. Speaker, that the government of Alberta will receive an equity stake in the Trans Mountain pipeline if the \$2 billion backstop is used and given that the NDP has assigned Alberta's growth mandate to the Alberta Investment Management Corporation, AIMCo, to the Premier: has AIMCo been named the lead in the assessment and management of the backstop funding agreement, especially if the funds are to be converted into equity?

**The Speaker:** The hon. Energy minister.

**Ms McCuaig-Boyd:** Thank you, Mr. Speaker. As our Premier indicated earlier, the federal agreement has to come first. Once our agreement is in place, it will be public. But, again, we are contributing up to \$2 billion – it could be zero; it could be \$2 billion – once and when oil is flowing in the pipeline. Again, this is an investment, and all the details will be public once all of that is done.

**Mr. Panda:** Given, Mr. Speaker, that everyone needs a plan B, like additional pipelines or new market access locations, and given that the NDP does not oppose their federal ally Justin Trudeau's Bill C-48, the tanker ban, and Bill C-69, the impact assessment act, can the Premier please explain if there is a remote chance of cost overruns on the pipeline project that exceed the \$2 billion backstop, and what's her plan B to get this taxpayer mountain pipeline completed?

**The Speaker:** The hon. minister.

**Ms McCuaig-Boyd:** Thank you, Mr. Speaker. As was previously said a couple of times now, the federal government contract will be put in place. Our details will follow once that is inked. But our commitment is \$2 billion – it could be zero – once and when oil is flowing. That is the commitment we've made, and that's the commitment we're sticking to.

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

**2:30 Time-share Lease Consumer Protection**

**Mr. Gotfried:** Thank you, Mr. Speaker. We have heard that consumer protection is of utmost importance to this government, yet the experience of the time-share unitholders of Alberta-based Northmont Resort Properties does not reflect that. In fact, the minister and other members or representatives of this government have stated that the concerns of thousands of Alberta were “outside the mandate and jurisdiction of Service Alberta’s Consumer Investigations Unit.” Minister, I’m not here to make, in your words, “cheap political points.” I’m here to look out for the best interests of Alberta consumers. When will you stand up for Albertans and do the same?

**The Speaker:** The hon. Minister of Service Alberta.

**Ms McLean:** Thank you for the question, Mr. Speaker. I’m always disheartened to hear of this kind of hardship. That’s why our government has taken intensive action to strengthen our consumer protection laws. This particular matter occurred outside of Alberta and, unfortunately, isn’t within our scope but within British Columbia’s.

**Mr. Gotfried:** Mr. Speaker, given that from my personal discussions with many aggrieved Alberta consumers and my own common-sense review of the evidence and issues received, it is clear that there is both mandate and jurisdiction worthy of investigation by Service Alberta under consumer protection legislation and given the amount of correspondence and advocacy across the province to your department and to members on both sides of this House calling for an objective investigation, Minister, will you commit to Albertans today in this House to order an objective, independent investigation into claims of breach of the Consumer Protection Act?

**The Speaker:** The hon. minister.

**Ms McLean:** Thank you, Mr. Speaker. For too long Alberta’s consumer protection laws lagged behind the rest of the country, and that’s why we’ve updated them. We take this issue, the issue of consumer protection, very seriously. In fact, this issue that the member is bringing up was investigated in 2012 and closed under the previous government. The Member for Calgary-Fish Creek was in that government, so frankly it’s a bit ironic coming from him.

**Mr. Gotfried:** Not seriously enough, Mr. Speaker, and I stand up for my constituents irrespective of what happened in the past.

Given that I’m hearing from Albertans from all walks of life on this issue, many of them seniors on fixed incomes hoping to enjoy their prepaid time-shares in retirement, and given the frustration of Alberta consumers, many of whom have settled, allegedly under duress, in feeling dismissed and ignored by this government, Minister, will you also commit today to a meeting with key representatives of the last few 100 holdouts who refuse to believe that your government will continue to shirk responsibility for their own legislation?

**Ms McLean:** Mr. Speaker, I’m always happy to meet with Albertans concerning consumer protection issues. This issue has been decided by the court, so I cannot specifically comment on it. However, that member and his party do not take consumer protection very seriously. They never have. My office has received no – no – correspondence from him at any time on this issue. He is selling a bill of goods saying

that he cares about this. As the minister of consumer protection I’ll advise Albertans not to buy it. It’s a scam.

**Mr. Nixon:** Point of order.

**The Speaker:** Point of order noted.

**Economic Indicators**

**Mr. Hunter:** Mr. Speaker, Alberta has only had two substantial dips in gross domestic product since 1997, one in 2008 and one when this government was elected. Does the NDP believe that adding a costly carbon tax, increased taxes, and increasing government size and red tape make life better for Albertans in these difficult times?

**Mr. Ceci:** Well, Mr. Speaker, the dip in gross domestic product that the hon. member talks about was as a result of the world price of oil crashing in late 2014 and 2015. We had two years of significant recession in this province at minus 3.5 per cent in ’16 and ’15. In ’17 we grew 4.9 per cent. We’re going to lead the country again in growth. Alberta is back on track.

**Mr. Hunter:** Mr. Speaker, given that Alberta weekly earnings have increased less than 1 per cent in the past three years and inflation has increased over 4.5 per cent in that same period, does this minister believe that that’s on track?

**Mr. Ceci:** I’ll tell you what this minister believes, Mr. Speaker: 90,000 new full-time jobs were created in the last year. This minister also believes that GDP growth was 4.9 per cent in 2017. It’s going to lead the nation again in 2018. This minister also believes that manufacturing is up, exports are up, small-business confidence is up, wages are up, and on and on and on. Yes, I do believe that.

**Mr. Hunter:** Mr. Speaker, Albertans don’t.

Given that the government continues to maintain that they have created 90,000 jobs and given that according to their own website Albertans have only seen 17,800 net new jobs while there are 30,000 more unemployed Albertans today than when they took office, would they be willing to restate their claims?

**Mr. Ceci:** I’ll continue on the things that are up in this province, Mr. Speaker. Restaurant receipts are up. Housing construction is up. Building permits are up. New sales are up for vehicles. Retail is up, business incorporation. I hope you get the theme here. It’s up, not down.

**Federal Energy Policies**

**Mr. Loewen:** When the federal government announced the purchase of the 65-year-old Trans Mountain pipeline for \$4.5 billion, the NDP were celebrating despite uncertainty on whether the expansion would be built. We have not heard a plan to deal with the obstruction from the B.C. NDP and the environmental radicals. While Albertans are happy that TMX was not cancelled, there is concern that a key piece of infrastructure will be controlled by the Trudeau Liberals. Has the government secured assurances that the federal ownership of the pipeline will not be used as leverage to interfere in areas of provincial jurisdiction like upstream emissions, carbon taxes, or even to silence Alberta’s voice on equalization?

**The Speaker:** The hon. Minister of Environment and Parks.

**Ms Phillips:** Well, thank you very much, Mr. Speaker. You know, we often hear the opposition fixating on an increasingly shrinking group of opponents to the pipeline and ignoring the fact that a growing majority of Canadians are in fact behind this Trans Mountain expansion project. Now, I know the opposition likes narrow and extreme special-interest groups. They did, after all, roll out the red carpet for extremists to take over their party, but on this side of the House what we're looking for is to put 15,000 people to work and grow the economy across the country.

Thank you.

**Mr. Loewen:** Given that we also know that pipeline opponents in B.C. are threatening a war in the woods and given that they are to be led by the likes of the Premier's hand-picked chair of OSAG, Tzeporah Berman, and the environment minister's friend Mike Hudema and given that Berman said about the Premier and her ally Trudeau that, quote, they're either making a terrible calculation and fooling themselves or they're being dishonest in their public relations in order to create a false sense of certainty and security, end quote, to the Premier: could you respond to your former adviser's suggestion? Are you fooling yourself or being dishonest to create a false sense of certainty and security?

**The Speaker:** The hon. minister.

**Ms Phillips:** Well, thank you very much, Mr. Speaker. Of course, the opposition does fixate on a shrinking group of opponents. That's because they want this project to fail. They're not interested in putting Albertans back to work. They just want to score cheap political points. On this side of the House we know that support for this project has grown by double digits over the past year, including a majority of British Columbians. This pipeline is going to get built despite the fact that they're cheering for it to fail.

**Mr. Loewen:** Given that nothing could be further from the truth as far as us wanting the pipeline to fail and given that Albertans are hopeful that Trans Mountain will be built as they know that we still need greater market access and given that there is a great potential and widespread support out there for projects like the proposed Eagle Spirit pipeline, not to mention the pipelines that have been cancelled under this government's watch, will the Premier demand that the Prime Minister end his agenda of obstructing and bottlenecking Canadian resources by withdrawing Bill C-48 and abandoning the B.C. tanker ban, which exists only to please radical opponents of progress?

**The Speaker:** The hon. minister.

**Ms Phillips:** Well, thank you very much, Mr. Speaker. I think it's unfortunate that the members opposite want to continue to cheer for this pipeline to fail, to continue to fixate on opposition to this pipeline when, in fact, a majority of British Columbians, like a majority of Canadians, support this project. It was approved due to the merits of the climate leadership plan. On this side of the House we are moving forward and investing in indigenous communities, investing in municipalities, and diversifying this economy while we put Albertans back to work.

**The Speaker:** The Member for Calgary-Shaw.

### Employment Supports

**Mr. Sucha:** Thank you, Mr. Speaker. When I logged onto social media today, I was thrilled to see former employees of mine, from

Mary to Courtney to Emily, who are graduating from the University of Calgary this semester. Many of them relied on placement programs that were supported by our provincial government, programs like the student temporary employment program, commonly known as STEP, which our government brought back. To the Minister of Labour. This program is very important to my constituents, to employers, and to even the students that I employed as an employer. How has STEP improved and helped better support Alberta's growing economy?

**The Speaker:** The hon. Minister of Labour.

2:40

**Ms Gray:** Thank you very much, Mr. Speaker. We're really excited about the upcoming summer. I've already heard from a number of businesses who are thankful for the support that STEP has given them in the past and again this summer as we've sent those approvals out. When I was running for office, I heard from people who were disappointed that the summer temporary employment program had been cut by the previous government in a fairly heartless move. We can see from policy conventions and their plans going forward that they have not changed their tune at all. Our government is very proud . . .

**The Speaker:** Thank you, hon. minister.  
First supplemental.

**Mr. Sucha:** Thank you, Mr. Speaker. Given that STEP has been one of many programs that the government has invested in to ensure that Albertans are getting access to good, safe, fair, and healthy jobs, again to the minister: what are some other programs that the government is focusing on that help Albertans access the good jobs they deserve?

**The Speaker:** The hon. minister.

**Ms Gray:** Thank you very much, Mr. Speaker. Our government is focused on Albertans' priorities, and those include creating good jobs and diversifying the economy. On top of expanding the STEP program, we've increased funding for skills training and support programs, programs that support even more Albertans in making sure that they have the supports they need to get back to work. We are also supporting entrepreneurs who are starting their own businesses through the self-employment training program. Most importantly, we're closer than ever to getting our pipeline to tidewater built, and that is 15,000 good jobs for Albertans. Our government is hard at work to create . . .

**The Speaker:** Thank you, hon. minister.

**Mr. Sucha:** Again to the Minister of Labour: given that critics have promised cuts and pain to Albertans, what is this government's strategy for supporting Albertans in what Albertans care about, that is to say, their jobs?

**The Speaker:** The hon. minister.

**Ms Gray:** Thank you very much, Mr. Speaker. Our government has the backs of everyday Albertans. While some only seem to care about making life easier for the very rich or their Conservative insiders, we are hard at work. We know there's still more work for us to do, but it's clear across the province that things are looking up. Our plan is working. GDP growth is up. Small-business confidence is up. Manufacturing is up. Wages are up. Exports are up. Most importantly, jobs are up, and more and more Albertans are

getting back to work each and every day. We are so proud to support that success.

Thank you, Mr. Speaker.

**The Speaker:** Hon. members, in 30 seconds we will continue the Routine.

### Notices of Motions

**The Speaker:** The hon. Minister of Transportation.

**Mr. Mason:** Thank you very much, Mr. Speaker. I would like to provide several notices of motions to the Assembly. First, I will be moving, the government will move:

Be it resolved that notwithstanding Standing Order 3(1) on Thursday, June 7, 2018, the Assembly shall sit beyond the normal adjournment hour of 4:30 p.m. that day until such time that the Government House Leader advises the Assembly that the business for the sitting is concluded.

The second one, Mr. Speaker:

Be it resolved that when further consideration of Government Motion 25 is resumed . . .

That's the motion that I just gave notice of.

. . . not more than one hour shall be allotted to any further consideration of the motion, at which time every question necessary for the disposal of the motion shall be put forthwith.

Third, Mr. Speaker:

Be it resolved that pursuant to Standing Order 3(9) the 2018 spring sitting of the Assembly shall stand adjourned upon the Government House Leader advising the Assembly that the business for the sitting is concluded.

### Tabling Returns and Reports

**The Speaker:** Calgary-Elbow.

**Mr. Clark:** Thank you very much, Mr. Speaker. I rise to table five copies of two documents, the first being the agreement between Kinder Morgan Canada and Her Majesty in right of Canada and other parties to purchase a share in a unit purchase agreement, which is the agreement to purchase the Kinder Morgan pipeline between the federal government and Kinder Morgan Canada.

The second is a support agreement between some of the same parties, both documents dated the 29th of May, 2018.

**The Speaker:** The hon. Member for Bonnyville-Cold Lake.

**Mr. Cyr:** Thank you, Mr. Speaker. I was asked by Madam Speaker when we were debating Bill 1 to table three articles. The first one, which was published by the Fraser Institute, is done by Mark Milke, Alberta Already Tried to Diversify Her Economy – and Failed.

I've got a second article. This one here is a *Calgary Herald* article, New Alberta Tax Credit Off to Slow Start with No Money Awarded Yet. This was written by Amanda Stephenson.

The last one is an article that is titled Manitoba Pulls Less-loved Ag Tax Credits in Budget. This one here is an online source.

Thank you, Mr. Speaker.

**The Speaker:** The hon. Minister of Finance.

**Mr. Ceci:** Thank you very much, Mr. Speaker. I rise today to table the requisite number of copies of the 2017 Horse Racing Alberta annual report. Horse racing employs 7,000 Albertans across racing and breeding programs and is growing in Alberta. The Century mile track south of Edmonton will be completed and accommodate some great racing very soon. I was pleased to be at the Century Downs

track near Calgary last November to watch the return of thoroughbred racing to Alberta. This return would not have been possible without our government's long-term investment, a 10-year agreement that continues to support the industry in rural Alberta.

Thank you very much.

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

**Mr. Gottfried:** Thank you, Mr. Speaker. I rise to table numerous documents here today, the first one being an article from the *Columbia Valley Pioneer* in February 2018 by Lorene Keitch referencing the Northwynd Resort Properties issue since 2013, in which she quotes, "It is a mess for all involved."

Secondly, I'd like to table communications to the Ministry of Justice in which 53 people's names were listed referencing communications with Service Alberta – this was sent directly to the Ministry of Justice – including e-mails and telephone numbers.

Lastly, I would like to table the requisite copies of numerous communications with both Service Alberta and the Ministry of Justice in relation to the Northmont Resort Properties issue. These letters and many others received, I'm sure, by all members of this House from their constituents include those from Edmonton, Leduc, Olds, Calgary, Airdrie, St. Albert, Taber, Barrhead, Red Deer, Lethbridge, Medicine Hat, Fort McMurray, Fort Saskatchewan, Sherwood Park, Spruce Grove, and many more, as I'm sure could be confirmed by many members of this House.

Thank you, Mr. Speaker.

**The Speaker:** Any others? The Member for Calgary-Mackay-Nose Hill.

**Ms McPherson:** Thank you, Mr. Speaker. I would like to table five copies of Capacity Markets 101: Understanding Options for Alberta, published on February 1, 2017, and presented by the Pembina Institute.

**The Speaker:** Hon. members, I believe we had a point of order today. The hon. Member for Rimbey-Rocky Mountain House-Sundre.

### Point of Order Insulting Language

**Mr. Nixon:** Well, thank you, Mr. Speaker. I rise on 23(h), (i), and (j) today, all of which are applicable to this point of order. At the time that I called the point of order, a question had just finished. The hon. Member for Calgary-Fish Creek and the Minister of Service Alberta were having an exchange during question period. At the end of a response to the question from the hon. Member for Calgary-Fish Creek, the minister said something to the effect – and I don't have the Blues. You may be in a better position than I am to get the exact wording, plus it was, granted, a little loud. My colleagues across the way still like to bang their desks, and sometimes it's a little hard to hear over that, so I may have missed it slightly. But the gist of it and the context of it was this. The minister said that she would like to advise Albertans not to buy what the hon. Member for Calgary-Fish Creek was saying but went further than that and said that what he was saying was a scam.

2:50

Now, Mr. Speaker, I would say that 23(h), for sure, "makes allegations against another Member," would be in that, saying that he was scamming people. I would say that (i), "imputes false or unavowed motives to another Member," certainly falls under that.



And then (j) I would also say, “uses abusive or insulting language of a nature likely to create disorder.”

Mr. Speaker, I don’t know about you, but being accused of undertaking a scam on Albertans would probably make me upset. It certainly does for us as the colleagues of the Member for Calgary-Fish Creek, and it does create disorder in this House. Further to that, I think there is a decent argument to be made that “scam” and the context that she used the word “scam” implied that the hon. member was lying, not only lying in this Assembly but lying to Albertans, which is not true because he went on to table 52 letters that showed that what he was saying, in fact, was true, that the minister was mistaken. I would not say that she was scamming or lying. She must have been mistaken about not receiving those letters because he took the time to table them.

I think the simplest way to deal with this would be for the minister or the Government House Leader to withdraw and apologize for that comment. If not, I would ask that you rule that this is a point of order and ask the ministers, particularly, but also the government to please watch what they say to hon. members in the future.

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

**Mr. Mason:** Well, thank you, Mr. Speaker. I’m tempted to refer to some of the preambles of the hon. member’s leader today as evidence that it’s a two-way street in here, but I will refrain from that and merely say that there was a disagreement between the minister and the member about correspondence received. I suggest that no allusion was made towards the hon. member, but certainly in terms of the difference of opinion on whether correspondence had been sent or received from that member to the minister, I think it comes down to simply being a disagreement between two members on the facts.

**The Speaker:** Hon. members, I do have a copy of the Blues. I will not read all of the comments. “My office has received no – no – correspondence from him at any time on this issue. He is selling a bill of goods saying that he cares about this. As the minister of consumer protection I’ll advise Albertans not to buy it. It’s a scam.”

Hon. member, in this particular instance I would ask that the Government House Leader on behalf of the minister withdraw the comment.

**Mr. Mason:** I will do so, Mr. Speaker, at your direction.

**The Speaker:** Thank you.

## Orders of the Day

### Government Bills and Orders

#### Third Reading

#### Bill 10

#### An Act to Enable Clean Energy Improvements

**The Speaker:** The hon. Minister of Municipal Affairs.

**Mr. S. Anderson:** Thank you, Mr. Speaker. It’s an honour to stand here and open and move third reading of Bill 10, An Act to Enable Clean Energy Improvements.

I’d like to start by taking a few moments to address some of the concerns raised by the opposition last week. Everyone who knows me knows that I don’t like to play politics. I believe in working across the aisle, in ensuring that the opposition is briefed on what we are presenting, and in constructive debate of our bills. As has been mentioned many times by opposition members in the House,

my ministry has gone above and beyond to reach out to affected stakeholders. The Municipal Government Act was labelled the gold standard of consultation, and we’ve repeated the formula again and again with builder licensing, the Emergency Management Act, and now with PACE.

Because stakeholder feedback is so important to us, last week we tabled an amendment to Bill 10 to address concerns raised by the city of Edmonton. Now, it is not typical to give a briefing on an amendment, but we’ve developed what I thought was a good, nonpartisan relationship with our critic, so when he asked for a briefing on the amendment on very short notice, we happily obliged. The very next day my staff went line by line through the amendment and explained the reasoning behind each line item of the amendment and showed how these amendments were clarifying in nature and do not change the overall intent of the PACE program.

It was my understanding that the briefing went very well. Imagine my surprise when member after member of the opposition stood up to claim that the bill had now substantially changed. Not only is this untrue, but I believe it does a bit of a disservice to our Albertans who stand to benefit from this legislation and a disservice to the spirit of co-operation and honesty that we need to operate earnestly in this House.

So allow me to dispel some of these assertions by sharing with this House the briefing that was given to the UCP opposition, if you’ll indulge me. The first amendment removed a redundant clause that required the clean energy improvement tax to be shown separately on the tax notice. Since section 334(1)(a) of the MGA already requires this, the line was deemed redundant and removed.

The second amendment dealt with removing a redundant reference to property and changed the term from “agricultural property” to “farm land” to standardize the language across the Municipal Government Act.

The third amendment and largely the most significant clarified for municipalities that the clean energy improvement bylaw acted as a borrowing bylaw and that there was no need to pass a second borrowing bylaw for the program. It also clarified the required contents of the bylaw and clarified that the bylaw must identify the repayment period and not the set tax rate.

The fourth amendment clarified the ability to appeal and that appealing the agreed upon tax rate could only occur within one year of the tax being first imposed.

The fifth amendment clarified property owners’ ability to prepay the remainder of the clean energy improvement should they be in a financial situation to do so.

The final amendment clarified that should there be a public petition to conclude the program, existing property improvement agreements would be grandfathered and would not require the owner to come up with the remaining cost of the improvement should the program conclude.

The opposition members know full well that a bill isn’t measured in the number of pages; it is measured by the words contained on those actual pages.

[Ms Sweet in the chair]

The Member for Rimbey-Rocky Mountain House-Sundre also raised questions around how many mayors and stakeholders I spoke to regarding this legislation. Well, allow me to read you some letters of support I’ve received from my municipal stakeholders. Here’s a letter we received from the city of Edmonton and Mayor Iveson, quote: I would like to take this opportunity to thank you for considering the city of Edmonton’s feedback in bringing forward amendments to the drafting of Bill 10, An Act to Enable Clean Energy Improvements, which will help enable successful municipal

implementation of the proposed property assessed clean energy legislation in Alberta.

The City of Edmonton looks forward to continued partnership with your government in the development of the associated Regulation and design of the [PACE] loan program in the coming months following successful passing of Bill 10.

From the AUMA:

This is a proposal that AUMA has advocated for since 2017, and we thank you for bringing our idea forward for consideration.

In reviewing the legislation, AUMA was pleased to see that Bill 10 will enact a voluntary and flexible PACE program for municipalities that are interested; furthermore, we appreciate that it will respect local decision-making and allow municipal councils to determine the best program design for their community . . .

AUMA looks forward to working with your ministry on fine-tuning the legislation and on developing accompanying regulations.

Here's one from the RMA.

[We] support[t] the opportunity for those members that are interested in using the PACE tools to their best interest with the understanding that it will [be enabling legislation]. We look forward to continuing the consultation process on the regulations to seek clarity on how the program will be administered and utilized.

We also heard and spoke to industry leaders. Here's one from EllisDon.

Providing this financial tool for Albertans to add renewable energy systems while improving their energy performance will be of great benefit to our communities and province.

[PACE will help] Alberta become an economic leader and job creator in the sustainability sector.

Another, from Clark Builders, which also highlights the economic impact that the program will have.

Tools and mechanisms such as PACE will encourage more investment in renewable energy, energy efficient and high performance buildings, and renewal and repositioning of buildings in the market . . . As an asset-backed form of financing it allows property Owners to open up a viable source of financing which will encourage owners to undertake retrofits.

Here's one from the Canada Green Building Council.

[The council's] research has shown that upgrades such as deep retrofits and installation of on-site renewable energy generation systems, will provide the greatest energy efficiency improvements and emission reductions in Alberta.

The PACE model is focused on addressing the challenge of affordable and more long-term financing . . . [PACE] is critical because it opens up a viable source of financing, which is helpful for encouraging more owners to undertake retrofits.

[PACE can] improve energy efficiency . . . and help the Province meet its climate change targets.

To our hon. Official Opposition, who rushed to oppose this bill over what appears to be politics and ideology, I do ask: how many of these stakeholders have you spoken to about this bill? At the end of the day, this bill is enabling in nature. Municipalities will choose whether or not they want to enact the program, and they can choose the scope of their program through their bylaws.

3:00

The opposition has also been talking a lot about the class-action lawsuit in California but appear not to have read past the headline. Let me be clear. There will be no door-to-door sales as our government has banned that. Homeowners will choose whether or not they will want a clean energy improvement to the property, and once they've made their choice, they will sign an agreement with the municipality. This entire program is voluntary.

I have stated again and again that we will continue to consult and work with our municipal and industry stakeholders throughout the summer to develop the regulations and the administration of this program. On this side of the House we listen to our stakeholders, so when I was approached by municipalities about a desire to have a PACE program, I listened. We came forward with a bill that reflected municipalities' desire to implement such a program while ensuring it was enabling in nature so that all municipalities have a choice. We studied other jurisdictions that have implemented the program, took note of best practices, and worked to address any of their shortcomings, and we ensured that our program would have a strong consumer protection component.

I've said this before, and I will say it again. The bottom line with PACE is that it's good news for Albertans, it's good news for our climate leadership plan, and it's good news for our economy. It gives homeowners, residential building owners, farmers, and businesses access to affordable clean energy upgrades. It will help those folks save money and take care of our environment and will create jobs in Alberta's clean energy sector because we will need a lot of skilled tradespeople and technicians to make these types of upgrades.

I encourage all of my colleagues here in the House to vote in favour of this bill. Put aside your politics and listen to the stakeholders and to the Albertans who have been asking for this program. I hope all members will vote in favour of passing Bill 10.

Thank you, Madam Speaker.

**The Acting Speaker:** Thank you, Minister.

I will now recognize the Official Opposition House Leader.

**Mr. Nixon:** Well, thank you, Madam Speaker. This is 29(2)(a), correct? Or he's the first speaker. Well, then, I guess, I'm excited to speak to third reading. I was looking forward to asking the minister a question in my comments, but I did forget that he was the first one to address the Chamber on third reading, so I can't ask him through 29(2)(a). I will ask him in my speech, though. It was interesting to listen to the minister's comments.

[The Speaker in the chair]

Mr. Speaker, it's great to see you.

It was very interesting to listen to the hon. Minister of Municipal Affairs' comments, I would suggest, a little bit defensive, starting off very aggressive towards the opposition. He seems to be, Mr. Speaker, through you to him, extremely frustrated with the fact that the opposition called him out for bringing forward a piece of legislation to this Assembly when he then had to come back a few days later and rewrite, basically, the entire piece of legislation. I am sorry to hear that the minister was hurt by the opposition pointing that out, but I am not sorry that the opposition did it. That is our job.

I do notice that the minister at no time in his comments took even a moment to address the fact that he brought a piece of legislation to this House that had to be almost completely rewritten, and the reason that he noticed that was because the opposition pointed it out, asked him to slow the process down, take some time to make sure he got it right.

Evidently, the hon. Member for Livingstone-Macleod, the Municipal Affairs critic for the opposition, was correct in many of the assertions that he presented to this House when we started the debate on this important piece of legislation. Instead of the minister then coming back after all that and saying nicely to the hon. Member for Livingstone-Macleod, "Thank you for your help; we appreciate the role that you play in this place and the fact that you've prevented me from making a mistake on my legislation," he got up and took a partisan jab at the member, implied even at one point that the member

or at least somebody over here was not being truthful. And it's disappointing.

This is relevant, Mr. Speaker.

**The Speaker:** Hon. member, speak to the policy matter and governance if you would.

**Mr. Nixon:** Well, the policy matter is this. The government is asking us yet again to vote on a piece of legislation that the minister will not discuss with this Assembly the details of or answer any of the questions that have come from this Assembly.

The minister says that he consulted to change things that would make it better and to fix the points that were pointed out in Committee of the Whole, Mr. Speaker. Then he came here, and he never talked about any of them in his address to this House. He did not talk about the policy of this bill at all. He took partisan jabs at this side of the Assembly for his entire comment, and we heard nothing different from the minister, not one thing different from that Municipal Affairs minister that would cause us to want to be able to support this piece of legislation. Not once did he talk about his bill other than to attack opposition members.

He talked about a couple of mayors that he did speak to and their comments about it, but he did not talk about the important issues that are wrong still with this legislation and how he was going to be able to fix it. He did not talk about the municipal issues that would come and the fact that he originally told this Chamber that municipalities would not be on the hook for any of this. He has not addressed the fact that his own website says that they will. So it becomes hard to talk about the details of this legislation because the minister continues to avoid it.

The minister says that the reason this legislation is here is because he listened to some Albertans that told him they wanted it. That's hard for us to be able to follow, Mr. Speaker, when we're talking about a minister who's part of a government that refuses to remove the carbon tax despite the fact that over three-quarters of Albertans are asking them to remove it. What is different on this piece of legislation that he would bring into this House?

The point, Mr. Speaker – and then I will close, because I just rose to ask a question – is that this Minister of Municipal Affairs will not rise and defend his own legislation. He brings it to this Assembly, asks for us to vote for it on third reading despite the fact that he's already had to rewrite the entire thing overnight at one point. He asks us to trust him, but his track record with Albertans is not good, and it's not something that we would trust. He has not answered the questions, and there is no way that the Official Opposition could support this legislation until he does.

**The Speaker:** The Member for Livingstone-Macleod.

**Mr. Stier:** Well, thank you, Mr. Speaker, and good afternoon. It's my pleasure this afternoon to rise to speak on Bill 10, which is called An Act to Enable Clean Energy Improvements, at this third reading. If passed, Bill 10 would empower municipalities to establish something called a property assessed clean energy program, or PACE, as it's known. Apparently, the way it works is that once a municipality establishes a PACE program through passage of a bylaw, the municipality would then take on the role of lender to property owners who wish to make improvements to their property such as improved energy efficiency, incorporating renewable energy into their property, and increasing their property's water conservation. Since the municipality is the lender, apparently, it is able to collect repayment through the property tax bill under this proposed legislation.

This concept of PACE loans actually first started in California in the mid-2000s, Mr. Speaker. Since then, it has spread to 33 other

states and at least two provinces in Canada. While it has been touted with many accolades by the members across the aisle, there are a number of concerns that my colleagues and I have raised over the course of debate throughout the past few weeks on this very legislation. While the government did propose an amendment, which I supported, in fact, last week, that does improve the bill, there is simply too much left yet unaddressed. There is too much being left to the regulations, which is usual. Unfortunately, that is a repeating theme with this government.

I think many of you may recall one of the first times I spoke at second reading, as a matter of fact. My major concern then was that so much of the meat and potatoes of the bill was left out of the legislation. It's fewer than 10 pages long, this Bill 10, but it proposes to enable municipalities in Alberta to actually become moneylenders, for the first time that I recall. Frankly, if you're proposing to create a whole new kind of a loan program, Mr. Speaker, the government should be prepared to offer substantial details.

Not only is there not enough detail in the legislation now after the amendment; the other jurisdictions that have brought this type of legislation forward have since faced some pretty serious issues with them. If members will recall, I had mentioned that California municipalities are now facing class-action lawsuits because they didn't do their due diligence and ensure there wouldn't be any issues. The lawsuits claim that in Los Angeles county they failed to protect consumers who entered into these loans with the municipality, that L.A. county failed to fully inform those applying for PACE loans of all their obligations, that it has resulted in property owners being unable to pay back their PACE property taxes, and that the PACE loan was directly responsible for ruining their finances. Furthermore, the suit claims that seniors were particularly susceptible to abuse under the program from overeager contractors who promoted the program as an easy way to get home upgrades. That program has resulted in a number of those involved in the lawsuit ultimately losing their homes because they were unable to afford to repay the PACE loans.

To say that it's become a boondoggle for that area and their residents would be putting it mildly, Mr. Speaker. My concern with this policy is that making this same program accessible to property owners in Alberta would do nothing more than expose them to the same unneeded and undeserved risks as it did there. I don't want Albertans to risk losing their homes, to ruin their personal finances and be plagued with the burden of this debt for a decade or more.

3:10

At the very least I would have hoped the government would have undertaken, Mr. Speaker, a round of thorough consultations in the same vein as they did with the MGA review, much like they are doing with Bill 8, that is in that process now, where the minister is taking the summer to consult with stakeholders, and then he will propose amendments based on the feedback once the legislation apparently returns in the fall. It's a model that worked marvelously for the previous Bill 21 – I complimented the government on that – the Modernized Municipal Government Act.

It's not just homeowners that expressed concerns about this PACE program, though, Mr. Speaker. Over the course of the past month I have reached out to the Alberta Real Estate Association, or AREA, to get their feedback from a realtor's perspective. I'd like to share a quote from our correspondence.

While it appears that [some] home buyers are attracted to properties with energy-saving features and may even be willing to pay a premium for them . . . the financing structure of PACE projects may be a deterrent for resale of properties with an outstanding PACE loan. Specifically, the design of PACE programs in California has resulted in some financing

institutions' ... decision not to lend monies to [homeowners] when the property has [one of these outstanding loans]. This is due to the fact that PACE [program] loans are recorded against the property [tax] as a tax lien that assumes the first position in case of a mortgagee's default.

I also spoke to a friend who works as a mortgage specialist for one of the major banks here in Alberta to gather her perspective. What I learned is that Canadian banks, like their counterparts in the U.S., do not like to issue mortgages to people when the bank is not the first creditor to be repaid in the event of a bankruptcy or foreclosure. In fact, many banks won't consider issuing a loan if there are other outstanding liens on the property, regardless of whether they end up behind the bank in the line of creditors. That's an important point that hasn't been raised to date. In fact, my friend mentioned that certain types of mortgages, specifically a home equity or a home line mortgage, would fail to qualify an individual planning to purchase a property that has an existing lien on it, regardless of whether it is a PACE lien or a judgment lien.

After getting feedback from AREA and my friend the mortgage specialist, I went back further and tried to find out how California addressed this particular problem. What I found was very interesting, Mr. Speaker. According to the California State Treasurer's website the state of California established a PACE loss reserve program in 2014 to address this problem. It says that it's "to mitigate potential risk to first mortgage lenders by making them whole for losses incurred due to the existence of a first-priority PACE lien on a property during a foreclosure or forced sale." While it's not clear if this will be something that Alberta needs to adopt in order to maintain mortgage eligibility for Albertans in this case, it certainly raises serious concerns that this aspect is not even mentioned in the proposed legislation yet to date even though we had the amendment. That is a very big concern, I think, that remains completely unaddressed and is one of many reasons I will not be supporting Bill 10 at third reading.

Mr. Speaker, I'd like to take a moment also to reflect back to one of my previous speeches on this bill, where I mentioned how as an opposition member I look upon the task of reviewing proposed legislation seriously – and I think a lot of members in this House will know that I've said that before – as it's our role in this House to ensure that what is proposed for the benefit of Albertans is worded correctly to ensure that the purpose and intent are achieved and that it prevents unintended consequences from occurring. In that regard, I mentioned at the time that there was a disconnect, obviously, between some of the briefing documents that we had received during the government's two tech briefings and the bill being presented in the House.

For example, during the briefing from the government initially it was announced that the Energy Efficiency Alberta agency would be taking the lead as the administrator of the program. This apparently would have allowed municipalities to forgo any risk of additional cost to running the program. The municipality would ultimately be responsible for lending the money to the property owner and for collecting the repayment during property tax requisitions. However, the legislation still does not establish that the Energy Efficiency Alberta agency is going to be the administrator. In fact, it doesn't even mention it anywhere in the legislation. The legislation does mention on page 7, under MGA 390.9(h), that the minister can establish regulations that outline which body is ultimately responsible for the program, yet it still comes down to the government saying: trust us; we'll get the regulations right. The agency is not specified. I have an immense amount of respect for the Minister of Municipal Affairs, Mr. Speaker. I really do. But my question is: if Energy Efficiency Alberta is in fact intended to be the administrator, why is it not included in the legislation?

Finally and most importantly, the most troubling thing I find is that there isn't any clarity on who is eligible for the PACE loan. Currently in the U.S. example and in Canada the PACE loans do not normally require any of the usual creditworthiness checks that are normally considered the industry standard best practice at a bank. In fact, it appears the only qualifier for a PACE loan will be based on the property information. Although this would make the program easy, I suppose, to qualify for, I believe that a proper loan should only be considered through proper risk assessment, with a repayment plan in place, and the basis would normally be an individual's history with finances in almost any other setting.

It would appear that the government is so eager, instead, to get their green spending out the door that, by not following normal lending qualifications, they are prepared to march along with this program. That can put Albertans at risk, Mr. Speaker. If a family can't pay, they risk losing their home, ruining their finances, or being plagued with a burden of debt for a decade or two. Of course, this presents another problem for the municipality. If a property owner cannot repay the loan, the municipality will not be getting its money back either. But it's an exponential problem for the property owner, who now risks losing everything.

This is especially so since there already exist several types of lending services for home improvement, from lines of credit to second mortgages plus the CHIP program, which involves proper qualification standards that protect the homeowner and the financing companies. Why aren't we doing this with this program, or why are we bringing this program in? That's what I have to ask, Mr. Speaker. This makes PACE loans totally unnecessary if all the normal financial institutions offer this already.

To conclude, I've shown in previous submissions, Mr. Speaker, during the second reading debate of this bill, that the legislation still remains vague and has insufficient details that would be pertinent to prevent future unintended financial consequences or potential litigation. I've also shown how many municipalities have serious concerns over implementation, administration, and financing aspects of this program. That was clear in the ministry briefing document that we received. I've shown how this same program in L.A. county, in California, has caused serious problems for its citizens. It has led to class-action lawsuits. Therefore, I can only conclude that Bill 10 does not provide sufficient detail to ensure that there is adequate protection for property owners to avoid the type of litigation that has arisen with the PACE program in these other jurisdictions.

Given all of the above, Mr. Speaker, I urge all members of the House to protect Albertans from the same fate as what has happened there by voting against this bill so that it does not proceed. For that reason, I will be voting against Bill 10, An Act to Enable Clean Energy Improvements. I encourage all of my colleagues to think this over more carefully. Bring it back if you wish, but I encourage all people to vote against this bill.

Thank you.

**The Speaker:** Are there any questions under 29(2)(a) to the Member for Livingstone-Macleod?

**Mr. McIver:** Yes, Mr. Speaker, under 29(2)(a). I listened carefully both to the minister's comments and to my colleague from Livingstone-Macleod, and I'm left with several questions. It's clear to me after listening to all of that that the minister's work was, really, inexcusably sloppy. It was sloppy by the fact that he brought a four-page bill and brought three pages of amendments. So I wanted to get the hon. member's impression, amongst other things, on how he feels about the fact that the minister claims that he did lots of consultation before yet admitted about two sentences away from stating that he did the consultation that he talked to the city of Edmonton after he

released the legislation, which means he had to go back and change it. So, clearly, he either didn't talk to the city of Edmonton before he brought out the legislation or he didn't listen because what Edmonton would have liked wasn't in the original legislation. So I would like to get my hon. colleague's impression on what seems like the obvious lack of consultation despite the minister's protestations.

3:20

Beyond that is just the fact that there was a second briefing, which the minister tried to say was a big favour to the opposition, yet it was actually the minister covering his own tracks, Mr. Speaker, because when the government brings out a four-page piece of legislation and then has to have a three-page amendment, that's essentially a complete rebuild of the whole legislation, it means that a briefing for the opposition critic isn't a big favour, as the minister would have us believe, but, rather, a necessary step based on the sloppy, sloppy work that the minister did the first time around in putting the legislation together.

Also, when the minister talked about the risk to people for a class-action lawsuit, like everything that he did when he was on his feet, Mr. Speaker, he glossed over it like: "Nothing to see here, folks. Look away. Look away." The only thing he said was: well, there are no door-to-door sales. Now, Mr. Speaker, I acknowledge that door-to-door sales can be a problem in some cases, not always, but there are a lot of problems that occur from marketing and sales efforts other than door-to-door sales, and the minister did not address that at all. In fact, he left that wide open.

When you're dealing with putting burdens on people's homes that could cause seniors and other vulnerable Albertans to lose their homes in the event where someone is not a hundred per cent honest and they don't make a great business deal, I'm interested in my hon. colleague's thinking about that and how the minister really failed in a very big way to address the risk to people, as brought out in the class-action information from the States.

Further to that, I'd like him to comment on the fact that, as my colleague said, there was nothing in the legislation talking about how the financing was done. I'm sure that the minister would say, "Well, then refer to the website," except the problem with that is that when we talked to the minister in the earlier part of the debate, Mr. Speaker, and said, "Your website is wrong," he said, "Well, everybody looks at the legislation." So I guess he can't really say that everybody has to look at – now, I disagree with the minister. I think everybody looks at the website before they look at the legislation if they're buying something. I know that if I'm going to buy a fridge from an appliance store, I don't go to legislation about appliances. I go to the website of the store I'm buying it from and see what their terms and conditions are.

There's quite a bit there to unpack and not much more than a minute to unpack it, but I think I've asked some legitimate questions based on your comments here, hon. member. Mr. Speaker, I'd be grateful if my hon. colleague for Livingstone-Macleod would stand up and try to answer some of these amazing reflections on the sloppy work done by the minister.

**The Speaker:** I'm only sorry that you didn't give him more time to answer some excellent questions.

The hon. member.

**Mr. Stier:** Well, thank you, Mr. Speaker, and thanks to my colleague from Calgary-Hays, who has a large, large amount of experience as a former member of AUMA, on their board for many years, and a former council member from the city of Calgary. He's

very qualified in what he does here, and I think we've seen that throughout the past three years.

But he asked several questions, and he first started talking about consulting. It was interesting to me how in the first briefing that we attended, we noted that municipalities had indicated to them that they had concerns about being responsible for administration or looking after this new program. It was on one of the pages in their briefing document, and I'm happy to table that if necessary, Mr. Speaker. But it was interesting that they had those concerns, yet even just a few minutes ago we heard to the contrary.

Secondly . . . [Mr. Stier's speaking time expired] Oh. Thank you.

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

**Mr. Hanson:** Yeah. Thank you very much, Mr. Speaker. I'll just start by thanking you for the note that you sent where you mentioned that you had met Alex Janvier last night. You're absolutely right. He is quite a guy, not only in artistic ability and talent that's second to none, but his sense of humour is also right up there, and he's very sharp. Thank you again for that.

It's my pleasure to stand today and speak to Bill 10 at third reading, An Act to Enable Clean Energy Improvements. As I've mentioned in the House before, one of the biggest barriers to microgeneration investment is the large initial cost to the property owner. This bill intends to assist property owners with this financial burden. It will introduce the PACE program; that is, the property assessed clean energy program. It would help Albertans in financing renewable energy projects as upgrades to their homes, and the repayment would be collected through the property owner's municipal tax bill rather than the traditional loan channels.

Renewable microgeneration is often a luxury more frequently afforded by the wealthy, with little to no affordable substantive options on the market. So consumers are left with the choice between a big investment or no purchase at all. Insulated windows, likely on every Albertan homeowner's wish list, especially in the wintertime, would help keep energy bills down and outlast dreaded Alberta winters. But when asked to prioritize where their money will be going when they have mortgages on the line and families to feed and carbon taxes to pay, it's not easy to make the leap into renewable microgeneration. Thus, Bill 10's PACE program appears appealing and accessible to the Albertan concerned with reducing his footprint and looking for an easy financing option. That is precisely what our American neighbours thought in L.A. county prior to almost losing their homes and filing a class-action lawsuit against the county's PACE program.

Now, the hon. Member for Livingstone-Macleod mentioned unintended consequences. We've often in the House warned the government to make sure that they take their time and get things right and avoid the unintended consequences of many of their policies and bills because it is difficult, basically, to put the toothpaste back into the tube once it's out. A person realizing that they got into a bad deal and ending up losing their home over this: again, it's too late for them.

Mr. Speaker, the government would like us to give blanket acceptance to this bill in which we have no ability to see, debate, or vote on regulations. We have no way of foreseeing what the rolling out of this bill would actually look like since that is all left to the regulations. We do not have a way of voicing our concerns or advocating on the part of Albertans, which is our duty as legislators. This does not show transparency and accountability by our government. I do not feel comfortable granting my approval to something I cannot study and that cannot be properly brought forth to the people that will be involved in it like the municipal governments around the province.

Among the many items that are not clarified within this bill are the operation and administration of the PACE program. That has been a concern that was brought forward by a lot of the municipalities out in my area, especially when they saw the clause on the website that said that they would be responsible for providing not only the funding for it but the installation of these projects. The government has put out contradicting statements on several different occasions. Municipalities have stated that they do not want an administrative role in this program, and the government acquiesced to this. Municipalities had no interest in taking on the cost burden of this provincial program either, but according to the website it looks like they will be.

Thus, the government envisioned that the administration would instead fall to Energy Efficiency Alberta, a governmental body. This would alleviate municipalities' concerns and introduce an extra round of regulatory bodies to the program. This would also raise various concerns about funding: where the money would come from, how Energy Efficiency Alberta would go about incurring the cost, and whether this, in fact, is a regulation or not.

Although this was a roundabout answer to municipalities' concerns, the government then put out conflicting information, and I've mentioned that before. The government of Alberta web page, that explains the PACE program itself, has a line that contradicts the previous statement. It reads, and I quote: under PACE municipalities will install and pay for upgrades on private property and recover costs through the owner's property tax. Mr. Speaker, I believe this very clearly and openly states that municipalities would be responsible for incurring the cost burden, something that they had been assured they would not have to do. Also concerning is that they would be responsible for the installation of this equipment as well.

On the same web page a further section states, and I quote: the municipality installs and pays for the upgrades. This is in relation to accessing a PACE loan. There seems to be no clarification on this matter. Will the municipality be administering and paying for this program or not? They have stated very clearly that they do not want involvement in the administration nor in taking on the cost burden, and clarification needs to be made.

3:30

Mr. Speaker, one of the things I found most troubling in the way this program will be rolled out is the eligibility criteria and the administrative dispensing and collecting of the program. Most loans, home loans in particular, base their eligibility criteria on income and credit information, where they can get a rounded look at someone's spending history, how they go about paying back loans, and if they're financially capable of taking on the debt. Nobody wants to see Albertans put into a spot where they can't afford to put clothes on their kids' backs or send them out to different events or, you know, buy groceries, for that matter.

The eligibility criteria for this program appear to be based on property information alone. Mr. Speaker, this would undoubtedly make the program easy to qualify for and paves the way for possible reckless lending. A loan should be considered through careful risk assessment. There should be a repayment plan in place, and there is normally a consideration of the person's past management of finances. That is not the case here. It seems, quite obviously, that the government is eager to get their green spending out the door, and Albertans are being put at risk in the same way that the residents of L.A. county have been, which ended disastrously. Why do we continue to follow bad examples?

In L.A. county a family that was not able to pay off their loan in adequate time would risk losing their home, ruining their finances,

and being plagued with the debt for the next couple of decades. If a loan is given out that has a greater value than the home itself or if an individual undertakes a loan that they are unable to pay back for any number of reasons, this is an enormous cause of problems.

There need to be preventative measures that analyze a person's situation from the get-go rather than being so eager to get money out the door for green spending that Albertans are being put at risk. The greatest issue here is of families losing their homes. However, there is also the problem of the government recouping its money.

In L.A. county there were not enough protections put in place. Even more so, there were no special safeguards for our most vulnerable populations, our seniors, and many were left living hand to mouth to hold onto their homes. L.A. county's class-action lawsuit is a caution on what could happen when government legislation is not fully thought through and adversely affects residents, all due to the NDP's nature of proceeding without foresight and not heeding warnings from the opposition.

A government program that is inherently designed to promote the taking out of loans should not be responsible for Albertans being fearful of losing their homes and irreparably ruining their finances. This bill simply does not provide enough safeguards to ensure that Albertans do not face the same fate as the residents of L.A. county. Our seniors, particularly, need special safeguards put in place. In recognition of that and it being Seniors' Week, I think we should be taking them into special consideration.

I know I recently found out that, being over 55, I'm actually a senior in a lot of places. I imagine, Mr. Speaker, that you're considered a senior as well.

There is no further clarification in this program on what would happen if a property owner with a remaining loan balance, that he is paying through his municipal taxes, decides to sell his house. There is no mandatory disclosure of PACE loans, and this could lead to distrust in the housing market. If a buyer does not know whether his home purchase has a significant amount owing that has been transferred over, housing scams could run rampant.

In closing, I believe this bill does not offer enough safeguards for Albertans, especially seniors, to feel safe in taking out PACE loans. There is no clarification on the regulations, which are also not debatable or votable, on how the program will be administered, and no clarity to municipalities about who will take on the administration and cost burden of the program.

Finally, we have seen this program in action in L.A. county, and we have seen what can happen. I urge all members of this House to vote against this bill at third reading.

Thank you very much for your time.

**The Speaker:** Any hon. members under 29(2)(a)? The hon. Member for Grande Prairie-Smoky.

**Mr. Loewen:** Thank you very much, Mr. Speaker. I was listening to the previous speaker talk about this bill that we're discussing here today, Bill 10, the property assessed clean energy legislation. He talked about the lack of clarity with this legislation as far as that a lot of things are left up to regulation, so it leaves, I guess, a lot of unknowns as to whether a person could support a bill like this or not. I think, you know, the Minister of Municipal Affairs got up and talked about how the Rural Municipalities association had support for this legislation, but when he read that support letter, the thing that really stood out to me was that they were looking for clarity on regulations. Obviously, I don't know that it stands to really add a lot of credence to support for this legislation when, really, the biggest thing that they're saying is: we would like some clarity; we'd like to find out what's going on here in this legislation.

Mr. Speaker, I think that was kind of a key takeaway that I had from the previous member's speech about this bill, the lack of clarity and how, you know, we're sitting in here, having discussed this legislation for quite some time now, and, of course, are going to be discussing it some more, too. As long as there are kind of these unknowns about this bill, then obviously we need to be discussing this.

I'd like to maybe just query him a little bit more about this lack of clarity and the suggestion, I guess, that the minister and the government really want just a blank cheque here on this legislation: you know, let's just pass this, and we'll figure out the details later. Well, Mr. Speaker, I don't know that our job here is to pass blank cheques for this government and hope that what they do in the end is going to be right and going to be representative of what Albertans want to see.

We've seen a lot of different, you know, concerns expressed here regarding this. I mean, it's vague. There are no details. Some of the regulations are contradictory or nonexistent. We know that the government brought in a bunch of amendments on this. Of course, the minister suggested they were clarifying and not changing, but obviously there are a lot of people looking for clarity on these regulations still, even after these amendments have been brought forward.

I wanted to maybe have the member just follow up a little bit along those lines as far as clarity and where we'll end up on this at some point down the road and if there's any kind of idea what the government has in mind for regulations.

Thanks.

**Mr. Hanson:** Thank you for the question from the member. You know, you spoke of lack of clarity, and I think that is one of the major concerns. Any of the mayors or councillors or reeves that I've spoken to are quite confused and concerned about this. I guess the proof will be in the pudding. I don't know how many municipalities are actually going to put forth bylaws to allow their ratepayers and the municipalities themselves to take on this risk. Yeah, I think the minister could be more forthcoming with the regulations and discussing and clearing up some of these issues.

You know, I've talked to folks that are very concerned about what happened in L.A. county, and they don't want to see that happen to their own ratepayers. I talked to a lot of folks out in my constituency, farmers and people that live on acreages or lake lots, and their feeling is that their tax burden is already high enough, not only with income tax and carbon tax, but you slap on the property tax, and the bills really add up over the year.

So while it may sound like a good idea to begin with, I think a lot of people will look at this and initially say: "Yeah. Okay. We'll get on with this and just slap this onto our tax bill." But, you know, two years down the road, when they get that additional tax on their bill, I don't think they're going to be quite as enamoured with the whole program. Also, the other concern is the resale value of the house or the availability of buyers that are going to be interested in buying a house and taking on that extra burden.

Thank you, Mr. Speaker.

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

3:40

**Mr. Gotfried:** Thank you, Mr. Speaker. I rise today to speak to Bill 10, An Act to Enable Clean Energy Improvements. First, I'd like to thank the Minister of Municipal Affairs. I believe that he does good work, and he works hard, and I do think that he has brought forward some reasonable legislation in the past and actually has done some consulting, but I think he's fallen more than somewhat short of the

mark on this. We've talked about this before, but I wanted to go over some of the issues and some of the concerns that have been raised with me by some of my constituents. We've also heard from various municipalities and various other organizations, both professional and community organizations that I've spoken with.

You know, in missing the mark on this and failing to do that consultation, there are some real fundamentals that we need to think about here. Of course, Bill 10 enables municipalities to pass a bylaw creating this property assessed clean energy, or PACE, program. That's quite clear. But it's interesting that some municipalities have said no thanks already and are backing away from this because they see it as a mess of regulation, and possibly they foresee some of the problems down the road that, unfortunately, this government has failed to do adequate consultation around.

You know, this mechanism for property owners to finance their energy efficiency, renewable energy, water conservation projects, or upgrades to their property: that all sounds great. In some cases, if it was structured well, it could be a great thing for Albertans to save some money in the future, particularly under the burden of the carbon tax that they're already feeling, not just individuals but other groups as well. But this one is focused on those residential customers.

This program does so by allowing repayment through the property owner's municipal tax bill. Isn't that a wonderful thing? "I don't have to pay for it today. Just put it on my tax bill. Just send it to me. Just put it on my credit card, put in on my tax bill, put it somewhere I don't have to deal with it today, and we'll push that down the road as a caveat on my title that I can't get rid of." That concerns me because we live in volatile times. We've been through the roller coaster we hear about, the roller coaster that we hear about economically, where people may do things and they may make decisions, and we don't always make great decisions.

Particularly, you've got homeowners and maybe new homeowners that don't have the experience of managing their budgets as well. They're doing well and they've got two jobs, but then one of the members of the household loses their job. All of a sudden paying that extra burden on their tax bill actually puts them under severe distress. We're seeing that across our province, Mr. Speaker. We're seeing that stress. I'm seeing it in my communities, and it has no boundaries across any socioeconomic strata. It's actually everybody in this province. They're feeling that, and they're feeling that pinch, and they're trying to reset their burn rate, as it were, their spending on everything: on utilities, on their tax bill, which they have no control over.

But with this one, if somebody were to have done this, they would have no control over this one with respect to things like food, putting food on the table. We're seeing an increased number of people going to food banks. This could add another layer of stress onto an already stressed community, and I'm not in favour of adding stress onto my constituents. I don't know about you, Mr. Speaker, or the rest of the members of this House.

You know, I think we're all in favour of green technology. I'm a big fan of renewables. I'm also a fan of hydrocarbons as well. But I'm a fan of an orderly transition, and I think that orderly transition has been breached in this province to a disorderly transition, which is now hurting us, and it's going to cost Albertans, taxpayers and consumers, millions and millions if not billions of dollars going forward. We're seeing these investments in things that we should never have had to invest in. There's an orderly transition, and I think that that orderly transition also translates back to the household, that orderly transition where people will adopt new technologies and new opportunities to improve their lot, to improve their home, to improve the efficiency of their homes.

But, Mr. Speaker, we all know what happens with technology. There's a rapid decline in prices over a short period of time, and technology and in some cases appliances and various other things are a case in point. I mean, I think that a generation ago you couldn't go into these big box stores and buy the latest, greatest energy saver, energy efficient appliances. They were maybe only available through the high-end boutique stores, but now virtually every product carries those labels to let us know what the energy efficiency is.

But I worry that people are going to rush into this and take on a burden which has no return in five years, let alone in 10 years, that they'll find out that that \$30,000 investment today is worth \$10,000 in five years, yet they're still paying back \$15,000 that they still owe on it, the age-old story of buying something that depreciates and which is devalued much more quickly than you can pay it off. It kind of sounds like Alberta with a \$96 billion debt – doesn't it? – that debt that we can't pay off. We're not going to receive the value of that in our lifetime, so we push that down the road to the next generation.

We live in a province now where we see that there's going to be – I suspect and I'll predict that we have a government that has actually taken every conceivable opportunity to make electricity and home heating and gasoline and so many other things more expensive. But that's other legislation, so we'll try to stay on topic here, Mr. Speaker.

You know, taxpayers shouldn't get stuck with this. I'm worried that if this plan fails, municipalities are stuck with these bills. People are foreclosing on homes, you've got a home which has gone to unpaid taxes, and all of a sudden, who's paying for that? What if that happens? What if the unexpected happens? What about the unintended consequences that we may be left holding the bag on? We've heard again that some municipalities are saying: thanks but no thanks. So what does that tell you? Does that tell you that there's a lack of consultation? We don't want to put extra burden on these municipalities. Some of them are choosing not to take that as an extra burden. It's very, very interesting that that's the case. Mistakes and unintended consequences, Mr. Speaker. Mistakes and unintended consequences.

Energy Efficiency Alberta is supposed to administer the plan, so municipalities are not responsible for the administrative costs. That's interesting because, you know, Energy Efficiency Alberta is so efficient and so effective. We know that. They even help us to change our light bulbs, Mr. Speaker: you go like this. Maybe next time they're going to teach us how to pat our dog on the head, and we're going to have a Bollywood dance here. Wouldn't that be exciting, to have Energy Efficiency Alberta teach us all how to do the Bollywood dance by changing light bulbs and patting our dog on the head at the same time? Highly efficient. Looks like we've got a few light bulbs up here I could change while I'm doing my dance. It would be very exciting. I know that Brian has picked out a few for us to change here already. [interjection] I knew you were. I knew you were. It's a scam, I'm sure.

Additionally – you know what? – we have homeowners here that are going to take on the opportunity to do this. You know, Mr. Speaker, one of the more popular programs of the previous federal government was a home renovation tax credit. A tax credit, not: we're going to stick this on your tax bill for the next 10 years. A tax credit. People can make a reasonable and responsible decision: if I buy this, I'm going to get a little bit back, so this makes my purchase, my well-reasoned purchase, more reasonable. We saw that work in the past. Maybe this is a compliment to the past government of Stephen Harper, who put that in place. I'm not sure that the minister would agree that he's paying a compliment to the former Prime Minister. A tax credit is a far cry from a permanent

long-term caveat on someone's title: "Stuck with it. Sorry. You're stuck with that on your title for ever and ever."

Who wouldn't want to have solar panels or other upgrades, you know, solar panels on the roof to put electricity back on the grid? But, Mr. Speaker, it's interesting because it's not just putting those panels on the roof. A friend of mine, a former MP for Red Deer, Bob Mills, has got solar panels on his roof, but – you know what? – it cost him \$27,000 to put in the power line that allowed him to put it back on the grid. So it's not just automatic that you get the solar panels and all of a sudden you can put it back on the grid. This is again lack of consultation, lack of what the costs are, lack of what the risks are.

You know, upgrading appliances, I think, is a great idea. But, again, are these well-reasoned purchases for the individual? Mr. Speaker, I was in the home building business. I've mentioned this before. Many of the buyers over the last decade – and it scares me when I see it, but it is the reality – are coming in with 5 per cent down on a \$400,000, \$500,000 home. That's what they come in with, 5 per cent down. Now, I'm looking around this room, and I suspect that there are a number of us that probably didn't go and buy our first home until we had 15 or 20 per cent, maybe 25 per cent. See, I'm getting a nod from the Minister of Transportation over there. I know he's a very responsible man himself personally. Too bad about his party, but that's another story altogether. I know he's a responsible man, and he did that.

3:50

It worries me that we may be in a situation here where somebody has a \$400,000 house that they bought with 5 per cent down. They get this PACE program, which looks really good. They're kind of new adopters, and they like to try new things, so they take on a \$30,000 caveat on their tax bill, which is more than the equity that they have in their home. That's crazy. That's bad financing. Yet we may be counselling people to make bad decisions. Mr. Speaker, I would rather we do more financial literacy consulting with Albertans to help them make good decisions, and we could have a remedial program for the members on the other side as well. But I digress.

You know, the PACE program could be a good thing. It might be a good thing. I regret that I think that in its current state it will not be a good thing because of lack of consultation, Mr. Speaker.

You know, we've talked about the risk to seniors. This program is there, and there are people that may take advantage of seniors and tell them: "Well, no. You have to change this. You have to change your furnace. You have to change the products. You have to do these things." By the way, they may be misrepresented on how much it's going to save them. They may not live long enough to enjoy those upgrades and those things, and then it's a caveat on their house.

I know that many seniors, number one, won't even take reverse mortgages, let alone the SHARP program, because they don't want to have any lien, any caveat against the equity that they have worked so hard for. They burned that mortgage back in 1967, and they want to make sure that they hold that equity. Maybe not, you know, the best thing for them to do personally, but they believe that they want to pass on wealth to the next generation. We've spoken about that in this House as well. But, again, I won't digress into that particular issue.

We've got some other concerns here. We've heard about this huge scam, this issue in the United States that is now turning into class-action lawsuits, Mr. Speaker, and that concerns me as well.

We've talked about new homeowners, about the new homeowners that could take these. I understand some of the builders are saying: "Well, that's great. We can put all these



upgrades in the house, and you don't have to pay for it today. We'll just put a caveat on your tax bill." I was in the home building business, Mr. Speaker, and these are business decisions that they may make because it may appear to keep the sticker price on a home down, which is being escalated by – guess what? – an overburden of taxation at all three levels of government, new regulations on mortgages, et cetera. They may try to do that because that might help people to invest in a new home that has a few more bells and whistles of energy efficiency, which I'm all for, but we have to be able to afford these things when we're doing it. Did the government consult with those homeowners, the home builders?

What about with the SHARP program? I know that with the SHARP program, back when that was being launched, one of the first calls I made was to Bob Dubask, who, I mentioned before in this House, is known as Mr. CHIP. He was one of the early adopters, early proponents of reverse mortgages, the Canadian home income program. Essentially, the SHARP program is kind of like the Canadian home income program, which has been around for almost 30 years now, and they didn't even call him to find out any suggestions he might have on making that program better.

Or maybe they would have taken that entire program on. Only the portion that was eligible for what is now called the SHARP program could have been taken on by them and administered by a third party at no cost to the taxpayers and no administration by taxpayers other than possibly the component where they maybe were buying down a percentage of that Canadian home income program, maybe buying down part of that mortgage for them. But that wasn't done.

Did they consult with CMHC or Genworth, the two largest home mortgage insurance companies, on how they would deal with it, how they would treat that income? I can tell you that anybody here who's worked with a mortgage broker knows that there are various line items that you have to include, including condo fees and utility bills and mortgage payments and other things. I am pretty doubtful that CMHC is not going to include the PACE program on one of those line items, which basically allow them to do a stress test on the purchaser when they are setting the premiums on home mortgage insurance.

Thankfully, we have that program. We have that to guard against meltdowns in our housing economy. Thankfully, we have not seen any huge runs on that, and we should all be thankful for that, even in a down economy in Alberta. We've seen some depression of land values and housing values, but not a deep, deep cut like we saw in 2007, '08, and '09 in the United States, which, of course, unravelled almost the entire financial system.

What about the chartered banks? Did anybody talk to the chartered banks? Did the minister talk to the chartered banks? My guess is that he did not.

Mr. Speaker, I will not be supporting this bill. Thank you.

**Dr. Starke:** Mr. Speaker, point of order.

**The Speaker:** Point of order.

#### Point of Order Decorum

**Dr. Starke:** Thank you, Mr. Speaker. I didn't raise this point of order earlier because I didn't want to interrupt the hon. member's speech, but I've noticed with alarm the increasing frequency of a breach of part of the protocols of this House that have long been established – page 449 of *Erskine May*, 24th edition, articulates it as well as paragraph 458 of *Beauchesne*, sixth edition – and that is that members are not to pass between the member speaking and the

chair, nor are they to pass between the chair and the table or the chair and the Mace.

Now, I noted that you nodded your assent for the Member for Rimbey-Rocky Mountain House-Sundre to return to his seat, but it bothers me that we're breaching this rule. This is a fundamental rule that has been in place in parliaments for a long, long time. It's a gesture of respect both to the chair and to the Crown, represented by the Mace. I would ask, Mr. Speaker, that you remind members, just by way of reminder.

You know, I see the pages, and it's always fun to watch the pages in this dance they do around the Chamber to avoid breaching that very rule. They never pass between the member speaking and the chair, nor do they ever pass between the chair and the Mace or the chair and the table. I think we could learn well from our pages to follow that very basic and very long-standing parliamentary tradition.

Thank you, Mr. Speaker.

**The Speaker:** Thank you, hon. member. The Member for Rimbey-Rocky Mountain House-Sundre did ask my permission, and I did indicate to him that it was appropriate. I have, I believe, also undertaken that several times in the past. But I take the point that you are making under advisement. Your reminder to all of us of the respect for the Chamber and the House is important and ought to be given.

I also would ask, now that this topic is raised, that when members enter and exit the Chamber, they acknowledge the chair out of respect for the position and, as you say, for the Mace.

Noted, and we'll most probably be practising that into the future.

#### Debate Continued

**The Speaker:** I believe we are at 29(2)(a). Any questions to the Member for Calgary-Fish Creek?

Anyone else who wishes to speak? The Member for Drayton Valley-Devon.

**Mr. Smith:** Thank you, Mr. Speaker. I rise today to speak to Bill 10, An Act to Enable Clean Energy Improvements. I want to thank the Minister of Municipal Affairs for bringing forward this legislation. I understand what he's trying to do here, and I want to first put forward that as a Member of the Legislative Assembly and as somebody that tries to represent his constituents, I am in favour of the concept of renewable energy and of trying to diversify the Alberta economy. It is a laudable goal. While there are times when we may perhaps disagree on how we achieve that goal, it's one that I think is a laudable goal to move forward on.

You know, I would bring to the attention of the House, for instance, the county of Brazeau in my constituency, that is putting forward a municipal plan and program to help subsidize renewable energy projects within my constituency, subsidizing the cost of things like efficient washers and dryers and fridges and furnaces. These are all worthy goals, and if it's done in a fashion that is economically sustainable, it should have our support, I would argue.

As I said before, I believe in the pursuit of a diversity of energy options within this province. When I take a look at some of the things that have been happening in my constituency, I've been quite excited about some of them; for instance, the movement towards geothermal. I know that the Minister of Municipal Affairs and I have had an opportunity on many occasions to sit down and talk about geothermal energy and the opportunities that are there for the citizens and the people of Alberta. I believe that there are companies in this great province of ours that are moving forward on these kinds

of endeavours. It's been very interesting to me to be able to see where we can take the concept of geothermal.

4:00

I can think of one Alberta company where they have identified thousands of abandoned and orphaned wells across this province, wells that are going to create a problem for the people of Alberta in the future as we try to figure out how to clean them up, with the Orphan Well Association, et cetera. If we can repurpose these wells to ensure that we produce renewable, green energy, it is a benefit to the people of Alberta, especially if it can be done without subsidies by the state. These companies believe they can do that.

In line with this Bill 10, which is encouraging people to pursue renewable energy, here's an example of several companies that I'm aware of that are in pursuit of not only peak power, which would be your wind and your solar, but baseload energy through geothermal. I had the privilege and the pleasure of attending the ATCO AGM the other day. In that AGM the CEO referred to a project that they are doing in Australia where they are taking solar energy and when that energy cannot be used by the grid, using it, through the process of electrolysis, to produce hydrogen. That hydrogen is then stored in abandoned pipelines, and when they need the energy, that energy is then used to produce electricity through a power plant.

I had the privilege of being able to talk with one of the vice-presidents and say: "Listen, when I look at my constituency, I see an abandoned Esso plant where the town of Devon has talked about wanting to have solar put on that brownfield. I have in Thorsby a water treatment plant that is working at 17 per cent efficiency and is looking for how they can use that water to be more efficient and to raise the money that they're getting. Then I have a power plant that was running on biowaste from the Weyerhaeuser plant in Drayton Valley, and when the government took the subsidies off, the biomass had to shut down." We're going to be having ATCO come out to my constituency, I believe, on June 20, and we're going to show them these opportunities and see if maybe there is a way of moving forward with something like that.

Again, I stand here not against the concept of renewable energy. Where it can be done efficiently and where it serves the purposes and the needs of the people of Alberta and where it starts to diversify our economy, then we should move forward where it's economically possible.

Bill 10 speaks to municipalities and speaks to municipalities' capacity to create through bylaw a property assessed clean energy, or PACE, program. This property assessed clean energy program provides a mechanism for property owners to finance energy efficiency and renewable energy and water conservation projects or upgrades to their property. Again, on the outside, just on a surface level, it sounds like a good idea. I think we need to scratch down a little deeper. I think we need to take a look at whether this is actually going to be good for the property owners or the people of Alberta and whether or not municipalities need to be involved in this.

In general anyone who owns property is probably going to be looking forward to trying to save some money on their power bills or their water bills, the former of which are becoming much more expensive, as we know, due to some of the policy shifts made by the NDP. The PACE program is going to provide a funding mechanism for financing these types of projects, as I have previously mentioned, by allowing repayment to be collected through the property owner's municipal tax bill. Now, in theory, we could see that this would be an innovative way to pay for these upgrades, that a new avenue of financing has been created, if you will.

However, if you drill a little bit deeper, there are some concerns that begin to arise. You know, having listened to some of the debate

in the House here, one of those was highlighted by the hon. Member for Calgary-Fish Creek when he asked the question: what happens in the case of a foreclosure? A simplified example would be if you have spent, through the PACE program, \$30,000 on a solar panel installation built onto the top of your house. Through the PACE program this individual would finance this \$30,000 project over 10 years for, say, \$3,000 a year. However, let's say that this individual maybe overextended themselves or lost their job or some unforeseen event occurs where they have been unable to maintain payments on their mortgage, where essentially life has happened and where that individual has missed significant or so many mortgage payments that their house has had to be foreclosed upon.

It's a sad situation and one that is not unusual – well, maybe not "unusual." Maybe that's the wrong word to use. But that has occurred in my constituency over the last three years. I know that I've sat down. I had one lady come into my office just in tears because she knew that she was in her last capacity to be able to keep her house and she was very scared of losing her house. I know that I was concerned for her, but there was not a lot that, really, we could do or I could do as her MLA. I remember that a month or so later at the parade in Drayton Valley I saw her in the crowd and walked over to her, and we had the discussion about how she had lost her house. This has been an issue in the bad economic times that we've had over the last three years, and it has not been unusual in my constituency for people to have to walk down this path.

So it's concerning when we start thinking about the PACE program: well, what do we do when an owner has met this unfortunate reality? Sometimes we've seen, in these kinds of cases, where owners have stripped whatever they could out of the house to try and take whatever they could to deal with their financial problems. Of course, when you've put \$30,000 of renewable solar panels on your house, it's not unreasonable to think that perhaps that's one of the things that an individual might look at trying to take.

Well, what happens to the remaining money, which has to be paid through the property taxes to fund that installation? Who's on the hook for that money? Is the municipality really going to have to go after an individual who clearly does not have the capacity to pay and maybe not even a regard for the financial contracts that they've signed? This and many other questions continue to abound with this legislation.

Now, that doesn't mean that there aren't some positive aspects to Bill 10, and we've recognized those as we've gone through the debate on this piece of legislation. You know, Energy Efficiency Alberta will administer the plan, so municipalities are not necessarily responsible for the administrative costs, which is a key factor that we all need to be wary of because all orders of government need to be committed to working together. We shouldn't be trying to add additional burdens on other levels of government through legislation that passes through this House.

You know, an additional strength of this legislation is that it does not impact property owners' ability to borrow from lending institutions. Lending institutions will be involved, but the money is not coming from municipalities, another positive aspect of this bill.

Now, who would not want to have solar panels on their roof and put electricity back onto the grid or have hot water heated by solar or maybe have a windmill on their property? Maybe you have appliances or machines drawing a lot of current and driving up your power bills. A PACE program could potentially help to replace some of these less energy efficient situations. Or maybe you're trying to protect the wetland on your property in order to conserve the drinking water, or maybe your home needs an energy audit to find the leaks in it and then some renovations to help keep the heat

in during the winter. This program, if executed properly, could help address all of these issues.

**4:10**

However, this bill seems to be one of those bills where when you start to dig deeper into it, you start to ask some questions and you get into a further debate on the merits of the bill. Now, one of the major concerns with this legislation is that it leaves most of the details up to regulation. These regulations are not debated in this House, nor are they voted on by this Assembly. Essentially, the government is once again suggesting that we need to just simply trust that they have the situation under control and that they will provide the regulations necessary to protect the people of Alberta. Mr. Speaker, sometimes over the past three years we've questioned just whether the government has the capacity to do that. Sometimes when we go forward with legislation, we want to trust, but we also want to verify, and we want to dig a little deeper.

For example, the requirement to disclose a PACE program property tax to prospective buyers is left to regulations. Now, there's nothing in the body of this legislation which ensures transparency when selling property of a PACE program property tax owner. [Disturbance in the gallery] Let's go back to our earlier example. While it's oversimplified, I still believe it's relevant. Instead of being foreclosed on, the individual, I'd suggest, is actually doing quite well and decides that they can upgrade or they can sell their house.

Let's say that it's just two years after they have placed solar panels, had them installed on their house, and have been part of the PACE program. Remember, they've financed this through the PACE program for 10 years. This means that the \$30,000 installation is spread out in a series of yearly payments of \$3,000 on their tax bill in addition to the regular property tax that the homeowner would be paying regardless of whether they had the PACE program or the green energy upgrades at all. Now, two years into that payment plan, the home is sold. That means that there are eight years and approximately \$24,000 left to pay off. [Mr. Smith's speaking time expired]

**The Speaker:** Hon. member, I just would like to point out that the stranger in the House was not in any way intending to interrupt your presentation.

I have a request for unanimous consent for an introduction.

[Unanimous consent granted]

### Introduction of Guests

*(reversion)*

**The Speaker:** The hon. member.

**Mr. Hanson:** Thank you very much, Mr. Speaker. It's very proudly that I stand to introduce to you and through you two young ladies that hold a very special place in my heart, the first being my daughter-in-law Dr. Sarah Hanson. She's a doctor of veterinary medicine and very proudly studied at the University of Saskatchewan. With her today is my one and only granddaughter, Lilly Charlotte Hanson, who just turned nine months yesterday. She's very happy to be here in the House to wave at grandpa and make noise up in the gallery. I would ask that they stand and receive the traditional warm welcome of the House, please.

**The Speaker:** Thank you, hon. members.

## Government Bills and Orders

### Third Reading

#### Bill 10

#### An Act to Enable Clean Energy Improvements

*(continued)*

**The Speaker:** Any questions under 29(2)(a) to the member?

Any members who would like to speak to the bill? The Member for Calgary-Hays.

**Mr. McIver:** Thank you, Mr. Speaker. It's my pleasure to rise and speak to Bill 10, An Act to Enable Clean Energy Improvements. Now, while we haven't been supporting this bill, I think you've heard from several of my colleagues that we don't have any trouble acknowledging that the general idea behind it may even be a good one. The execution, on the other hand, has been sloppy at best. Let me go through that here. Of course, when the bill came out, we pointed out to the government and to the minister that the bill said one thing and the government's website said a couple of different things about who the lending was going to be through, whether it would be through municipalities or not or whether it would be through Energy Efficiency Alberta. I know that the minister along the way finally had to acknowledge that, and I'm grateful to the minister for doing that.

But there's more to it, Mr. Speaker. I know that when the minister spoke earlier, he seemed to be unhappy with the Official Opposition for pointing out all the shortfalls caused by – I don't know who did the sloppy work – the sloppy work done on this legislation. We talked about the fact that on – I appreciate that the minister said that he gave the critic from the Official Opposition a second briefing. Again, he made it sound like he was doing a big favour for the critic from the Official Opposition. Giving briefings to the opposition for any government is common practice. It's a common courtesy. I know that it's not necessary. We appreciate it on this side of the House when we get the briefings.

In this case the second briefing wasn't just: oh, yeah; there's another i to dot and another t to cross. It was actually three pages of amendments to a four-page bill, so essentially a complete reconstruction of the bill, a complete rewrite of the bill. You know, I know that the minister tried to make it sound like it was a courtesy for a slight amendment – nothing to see here, nothing to worry about – but in fact when you change three pages of a four-page bill, it's more than that; it's actually a reconstruction of the bill and a rewriting of the bill and a do-over.

**Mr. Strankman:** It's a lot of typographical errors.

**Mr. McIver:** Well, in fact, I think it was more than typographical errors.

Mr. Speaker, what we have here is a bill that's been rewritten, and we have a lot of questions that haven't been answered yet. For example, when we pointed out to the minister that the web page said two or three different things, of course, the minister said: well, everybody looks at the legislation. I'm sure that the minister meant that when he said it, but I couldn't disagree more than I do. If I was to look at a government program to see how to take part in it and how to participate in it and how to get money out of it to, say, perhaps, put solar panels on my house, I'll tell you that where I would not go first is to the legislation. I think that most Albertans watching and listening today will agree with me that the first place they would go would be the government's website because that's what people do. They would say that. The minister's argument at the time, that if the legislation was right and the website was wrong,

it's okay: I couldn't disagree more because I think that most Albertans would actually go to the website.

However, in the minister's submission earlier today he talked about a number of things. I guess he was paying attention to some of it. He made reference to the fact that the opposition was concerned about the class-action lawsuits down in California and in different places in the United States. The minister presented to this House that the answer, the complete answer, to that question was that door-to-door sales aren't allowed. Okay. I can accept that door-to-door sales aren't allowed, but that hardly answers the question.

Mr. Speaker, certainly, people can be misled and pressured into a business transaction on a door-to-door basis. That can lead the consumer – misled, pressured, pushed, whatever you want to say – into a deal that's not good. But the problem is that that's not the only way that can happen. In any other way you can do a transaction, people can be misled and pressured and pushed into doing the wrong thing. I think we all know in this House, because we talk about it all the time, that some Albertans, for various reasons, are more vulnerable than other Albertans.

4:20

When we do legislative things, we can't just think about the sharpest business dealers amongst Albertans. We can't just think about those with the most experience with business, the most sophistication with negotiating. We actually have to think about those with the least business experience, perhaps with the least sophistication and the most vulnerable to unfair business practices. The minister gave no details on any of those things other than to say that there are no door-to-door sales. When the opposition was asking these questions, I think the questions have been legitimate since we started asking them, and I would say that they're still legitimate now, and, Mr. Speaker, they haven't been answered yet.

Now, further on the topic of consultation, when the minister stood in this House not long ago, he talked about how he met with the mayor of Edmonton and that that's where a good part of if not all of the three pages of amendments came from. Well, that's good. I'm glad the minister talked to the city of Edmonton and the mayor. That's good stuff. But my question and the question for a lot of Albertans is: why didn't that meeting take place before the minister brought the legislation to the House in the first place? Again, that's more evidence of sloppy work, Mr. Speaker. And if he did go talk to Edmonton before he brought the legislation to the House, I guess, why didn't he listen? Clearly, if indeed he did talk to Edmonton before, he needed to have a second talk before what the city wanted was right. So I'm not sure whether it's a matter of that the minister didn't talk to Edmonton before he brought the legislation in the first place or whether he did, and he didn't listen. Perhaps at some point before we're done the debate today, the minister may rise and clarify that, although both answers are kind of embarrassing, so maybe he won't, but we'll see.

Now, Mr. Speaker, again there have been some inconsistencies here along the way on the government's side. Municipalities aren't banks. I know a lot of municipalities do a lot of financial transactions. You know, they collect taxes, they collect fees, they do lots of other things, but when it comes to banking and checking creditworthiness and one thing and another, of course, then you're in a situation where not all municipalities are created equal. They're all staffed by good people that do a great job, but in fact I know that, for example, a very large municipality almost for sure will have a very large department of what I used to call when I was at the city of Calgary "hot and cold running lawyers, hot and cold running accountants," lots of them.

I think, Mr. Speaker, that at one point you were with a municipality, and you would probably know a little bit about hot

and cold running accountants and lawyers. I'm not sure how many your municipality had. But I think you would agree with me that some municipalities, smaller ones, for very good reason don't have a big staff of lawyers and accountants to be able to make assessments about individual lending practices. Maybe they do, but there's no guarantee that the expertise will be in-house to assess a homeowner on their creditworthiness when they're going to borrow, for example, up to \$30,000 for solar panels. That assessment of the municipalities is not in the legislation, and I'm not aware that it's on the website. That's, I think, another legitimate question which remains unanswered.

Mr. Speaker, there are a lot of other questions about this, too. What happens, for example – this is another thing; some of my colleagues raised this – if there's a foreclosure? The legislation is silent on what would happen then, who would be responsible for that. Or would the Albertan just lose their home? That seems like it probably would be the answer to me. But if we're passing legislation that's going to cause a lot of Albertans to lose their homes or even a few, that's something we should be thinking twice about.

I appreciate again that while door-to-door sales won't be allowed, what if somebody makes a bad business deal? Let's just say that an Albertan in their home buys, again, that classic \$30,000 solar panel and let's say it's from a reputable dealer. But what if it turns out that, in the same way that they used to say that cars made on a Wednesday will be better than cars made on a Monday or Friday, they get a bunch of defective solar panels, and then the business isn't in business anymore? It may not even be their fault. Maybe they leave the province for a bigger opportunity. Maybe they have health problems. Maybe they retire. There are a whole bunch of reasons why that could happen, Mr. Speaker, and you get somebody that's under the strain of making payments as part of their tax bill on a \$30,000 purchase that's no good to them. Then how do we protect consumers against those types of things? I haven't heard the government explain how Albertans will be protected against those circumstances.

Another question that occurs to me that I haven't heard an explanation of is: will this or could this be used to end-run the current mortgage rules? Now, we all know that the CMHC, the Canada Mortgage and Housing Corporation, just tightened up the lending rules. Listen, a lot of people aren't happy about it, and I'm sure the CMHC would say that those rules were tightened up in order to protect consumers. Taking that at face value, if somebody uses this program to end-run those rules that are to protect the consumers, the homebuyers, so that the homebuyers between what they get approved for and their mortgage when they max it out and then take on another \$20,000, \$30,000, or \$40,000 through the PACE program, what protections will there be so that consumers won't find themselves on the short end of being able to make the payments when their tax bill comes and lose their home over something that they got talked into? Or perhaps they talked themselves into it. Either way, we don't want to see Albertans lose their homes.

Now, Mr. Speaker, the government has said that they want to consult more over the summer, and that's a good idea because in my humble estimation that hasn't been done well enough yet, which leads me to want to make an amendment. I have the requisite number of copies here, if you would be kind enough. I'll wait for your permission to continue speaking, if that's acceptable to you.

**The Speaker:** Continue, hon. member.

**Mr. McIver:** Thank you, Mr. Speaker. This amendment, in my view, is actually very much in co-operation with the government. I

move that the motion for third reading of Bill 10, An Act to Enable Clean Energy Improvements, be amended by deleting all the words after “that” and substituting the following:

Bill 10, An Act to Enable Clean Energy Improvements, be not now read a third time but that it be read a third time this day three months hence.

Three months, Mr. Speaker, is about a season. The government has said that they want to consult over the summer. The opposition has pointed out many, many, many legitimate shortfalls. The government has already come with a big amendment. We’re saying that we don’t hate the idea of helping people add energy efficiency to their homes. In fact, we kind of like the idea. What we don’t like is the sloppy way in which it’s been done so far. The extra three months would give the government the time to go out and talk to Albertans, maybe talk to the opposition, find out what the concerns are about the shortfalls of the legislation, come back, maybe make some additional amendments that’ll improve the legislation, get it right, and – who knows? – in the brave world that we’re in perhaps have unanimous consent in this House by all sides to support this bill. Wouldn’t that be nice? It does happen here sometimes. It doesn’t happen every day, but when it happens most is when the government has an open, listening attitude to well-thought-out, good ideas from the opposition and looks for ways to improve their legislation. I see this as the Official Opposition presenting a well-thought-out way.

Mr. Speaker, it ought not get in the way of what the government has stated that they’re going to do anyways. The government has said in this House that they’re going to go out in the summer and consult, and we’re saying: good idea. We’re saying: good idea. Here’s the real benefit. Right now, if they pass the legislation, they can only make adjustments to it through regulations. If they pass this amendment, they could actually change the regulations or the bill itself. We’re offering the government a great opportunity to do as good a job as they can.

4:30

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

Any questions under 29(2)(a) to the Member for Calgary-Hays? Calgary-Foothills on the amendment.

**Mr. Panda:** Thank you, Mr. Speaker. I rise to speak in support of the notice of amendment served by my hon. colleague from Calgary-Hays. I have some concerns about Bill 10. The property assessed clean energy, or PACE, program is supposed to be a financing tool which building owners and developers can use to upgrade their building’s energy performance and install renewable energy systems and reduce resource consumption with no money down and with financing repaid through their property tax bill.

Now, a lobby group called PACE Alberta was stood up in 2017, and it seems to be endorsed by lots of green energy companies and green lobby groups. It is even endorsed by the NDP world traveller the Pembina Institute. The environment minister has good friends at the Pembina Institute. Former Ontario Liberal minister Glen Murray is the executive director there, and Glen was around the cabinet table when disastrous policies were brought into Ontario trying to force the green economy and drove little old ladies out of their homes because of sky-high electricity prices. Glen has a team of 44 people working for him at that think tank and a board of nine people.

Now, the first entry on the PACE Alberta blog is from April 10, 2017, announcing that PACE is coming to Alberta. How would PACE Alberta know in April 2017 that PACE is coming to Alberta when the bill didn’t come out until April 2018? Clearly, it shows that NDP world travellers were advocating for this program for a

year and knew that it was coming a year before it was announced in Bill 10. I wonder if the Ethics Commissioner has PACE Alberta properly registered in the lobbyist registry. After all, PACE Alberta knew about Bill 10 a year before there was a Bill 10.

The government still got it wrong, Mr. Speaker. The government had to amend their own bill. A person named Jerry Flaman wrote in to PACE Alberta’s blog. He said on May 2018 at 08:28:

Just a few questions. I live in Summerland BC and am party to several organizations promoting awareness of Green Energy initiatives. I have been following PACE in the US for several years and have seen that as the programme developed many hiccups were encountered. I have just recently learned of the Alberta PACE initiative and am wondering if AB is the only province initiating a PACE programme or if other provinces are also jumping on the wagon? I haven’t yet thoroughly researched the government Website nor PACE Alberta. However, I am just wondering how your initiative is progressing and what roadblocks or pitfalls are being experienced and how those situations are being addressed?

Jerry is quite right. People in the U.S.A. are losing their homes over PACE. I tabled a number of stories about those home losses here in this House. California is particularly hard hit. There are class-action lawsuits, people who owe more money than their mortgage or PACE. I tabled their stories in here a few weeks ago. Bill 10 has a lot of hidden dangers for consumers, Mr. Speaker. California has mixed results since they implemented a PACE program in the late 2000s. Due to the design of California’s PACE program, some financing institutions, Fannie Mae and Freddie Mac – it sounds familiar – decided not to lend to homebuyers when the property has an outstanding PACE loan.

Mortgage rules in Canada were recently tightened, and for many Albertans this resulted in smaller mortgages and being priced out of the market. If Alberta’s PACE program follows California’s example and PACE loans are recorded against the property as a tax lien, the PACE loan would assume the first position in case of a mortgage default. In California the result for PACE homeowners was that they had to repay the loan first to attract buyers, or for those unable to pay off the loan, they were unable to sell their home. In other words, Mr. Speaker, people are tied down, they are no longer mobile, and labour needs to be mobile. There is a real danger here of people getting overextended in the amounts they owe to get solar on their homes up and running. Albertans are already the people with the highest grossing personal debt per capita in all of Canada.

And that is before we talk about the \$96 billion in debt that the NDP will have created by 2023. I don’t understand how the NDP can get people tied up into more debt when the banks will have to approve those people for more loans. It feels like a program to help people lose their homes, Mr. Speaker. It’s scary. It’s very much buyer beware going into this PACE program. I can’t see the difference here between PACE and taking out a bank loan to do the job. That’s why I will not support Bill 10, and that’s why I support the notice of amendment served by my hon. colleague from Calgary-Hays.

Thank you, Mr. Speaker.

**The Speaker:** The hon. Government House Leader under 29(2)(a)?

**Mr. Mason:** Yes, please. I want to thank the hon. member for his comments. Certainly, his concerns about the Pembina Institute were very interesting to me, and I wonder if he would care to comment on the fact that a member of the Pembina Institute advisory council is Preston Manning. Do you believe that this is representing a shift among Canadian conservatives?

**The Speaker:** The hon. member.

**Mr. Panda:** Thank you, Mr. Speaker. I'd also like to thank the Minister of Transportation for asking me that wonderful question. Preston Manning is an individual Albertan. He's entitled to his opinion. In other words, you know, the NDP's fellow-travellers in B.C. are opposing pipelines, and the NDP's national party president, the stylish Jagmeet Singh, supports the Leap Manifesto and so on, and now you're in danger of seeing an NDP government tomorrow in Ontario who might support B.C. rather than the Alberta NDP. Within the parties people may have individual opinions.

4:40

I know that Preston Manning supported the carbon tax. I agree with that. To your point, he's not on the same page as us. We oppose the carbon tax. Our leader was very vocal in saying that if and when we get the mandate, that will be the first bill we will repeal. We are on the record. We are saying that every time in this House. It doesn't mean that Preston Manning doesn't have his own opinion as long as it is not against the interests of Albertans. Some of your fellow-travellers, interestingly, are working against Alberta's interests. The minister of environment's close friend Mike Hudema: every day he's fighting against the interests of Canada. If it was in any other country, like Saudi Arabia or other countries I dealt with, he would be in danger of being behind bars if it is treated as antinational. At least, Preston Manning is not antinational.

I'll leave it there, Minister. Thank you.

**The Speaker:** Under 29(2)(a)?

On the amendment, the Member for Calgary-Fish Creek.

**Mr. Gotfried:** Thank you, Mr. Speaker, and thank you for the opportunity to support the amendment, given by my hon. colleague from Calgary-Hays, to send this bill for further consultation. Three months is not a long time. Three months, I think, is the time that maybe this bill was rushed.

I'd like to thank the minister for bringing this forward. Again, I think there is some good content in this bill and, I think, some valid content to help Albertans. I'm all for helping Albertans themselves to be in a position to save on their heating bills, on their electricity bills, on various things that might have impacted their own power consumption. I'm concerned – I think all Albertans are concerned – about what's going to happen with the power prices, electricity prices as we go forward. That, I think, in itself is causing a great deal of angst and fear amongst Albertans and, hence, a drive towards this. Hence, this bill may, in an improved form, be something that might be viable and might have some traction with Albertans without hurting Albertans.

I mentioned a little bit earlier – and I'll mention it again – you know, that there are many groups that we don't seem to have talked to. The financiers and the mortgage holders of Canada basically facilitate the purchasing of and long-term investment in housing stock in our country. Realtors, for the most part, are involved with the transactions to purchase these homes and will have to deal with these caveats if they go wrong, if there are unintended consequences. We need to talk to those people and understand what concerns they may have, and I think this will give us the time to do that over the summer, Mr. Speaker. The property assessment community, in looking at these, can tell us what the impact might be, particularly if there's something that goes wrong with these systems, yet there's still \$10,000, \$15,000, \$20,000 on the books under the PACE program on somebody's title when they go to purchase that house. How are we going to deal with that?

The insurance companies. Has the minister spoken to insurance companies? What happens if somebody installs \$30,000 worth of

solar panels and we have a hailstorm, which we are prone to do a little bit in this province? That purchaser has purchased it but doesn't have enough money to get adequate insurance on their homeowner's insurance. Maybe they forgot to call, or maybe something has happened where we haven't required it to be properly and appropriately insured, not just to protect them but to protect that housing unit going forward and future purchasers. If it gets smashed and damaged and they don't have another \$20,000 or \$10,000 to replace and repair, you then actually have this white elephant on your roof, which used to look pretty, probably covered with shattered glass and that is inoperable yet is still on the bill. They're still subject to that, and if they go to sell that home, it's going to be, "By the way, did you know you have to reduce the price of this home to the tune of \$20,000 so I can repair it and fix it?" or "I'm not buying it until you repair it and make sure that it's fully operational." We haven't thought about that.

I talked earlier, Mr. Speaker, about the fact that we may end up with some purchasers who owe more on PACE than they have equity in the home, and that scares me deeply, having been in the home building business and having seen that we live in a generation – I think and I hope that people are changing because we've been through this tough economic time. But we had many people that were buying homes that hadn't seen the downturn in the economy back in the early and mid-2000s. They hadn't seen a downturn for a long time, and many of those people were hurt. We saw a lot of foreclosures in 2008-2009 because that 15 per cent drop in the value of properties was, again, triple the amount of equity those people had. Some of them were starter homes, and some of them were starter castles. People just overextended themselves based on the cash flow of the day, not thinking that things would ever change. Again, it concerns me, both from an individual standpoint and from a provincial standpoint, that we do that.

So I think this is an opportunity for us to take a sober second thought with this bill, to give the minister and his team and to give Albertans and to give this Legislature time to ensure that this legislation comes back to us complete and with full consultation and with full disclosure and full knowledge, having consulted properly to know what the intended and unintended consequences of this legislation are. Mr. Speaker, that, I think, is a reasonable request, it's a prudent request, and I think it's one that actually bears a strong sense of responsibility and accountability for this Legislature, for this House, and for the government and members opposite to consider.

Three months is not going to change anything other than maybe some opportunities for some renovators to get going on this. And, yes, we could use that economic activity, Mr. Speaker, but the people that are already going to do that are going to do that anyway. Maybe that will give us some time to build up that expertise through contractors, that may or may not need to go through an approval process with Energy Efficiency Alberta to be able to install some of these products.

I think that that would be, again, a prudent approach to do that consultation: talk to the mortgage brokers, talk to mortgage insurers, talk to the realtors, talk to the property assessors, and talk to the insurance companies. I'd be curious and interested if the minister would share with me and share with us: has he done all of these things? I'm sure I'm not the first person to think that these are some of the people we should be consulting to ensure that this legislation is whole, that it is done with full consultation, that it is done with full knowledge of what the intended and unintended consequences are in this marketplace, and that it's done in consultation, again, with home builders, that we've talked to them.

I think it's a great idea. They may say: "You know what? This is an opportunity for us, so we can maybe go into a starter home

market, and normally we wouldn't be able to afford that. Maybe the mortgage holders wouldn't be able to qualify for a mortgage on this house, but maybe we can do this." And maybe the mortgage insurance companies and maybe the lenders will say: "Yeah. That's okay. We'll let you do that." We're not going to take that full – very often you take a percentage of qualifying expenses when you're qualifying incomes for people, and maybe they decided that PACE will only take half of that and put that as a qualification or one of the calculations in terms of the stress test for applying for a mortgage.

Mr. Speaker, I think we're all concerned. We want Albertans to be able to – for those that have a stable income and have the wherewithal and the interest in doing so, we would like them to be able to purchase a home without any major impediments to doing so. But we want them to do that with their eyes wide open, understanding what the consequences are, what the impacts are, and what factors they need to consider as they're purchasing homes.

Mr. Speaker, I've spoken in this House before about that I was very instrumental in starting Calgary's first attainable home ownership program, which provided down payment assistance and some subsidy financing for low- to middle-income Albertans to be able to purchase a home. I'd like to think that those people may be in a certain situation and may be able to qualify for those. Maybe there's even another way to assist those people to achieve those and to work with the builders that are working with them to give them also a hand up of that extra energy efficiency. Those are the people that, if we're helping them with a hand up to achieve home ownership, maybe we need to also give a hand up to make sure that they can sustain homeownership even through a downturn in the economy.

Quite frankly, we were taking people that were paying, at that time, a high rental demand, paying \$1,800 a month in rent to a landlord, and then putting them into ownership of a nice three-bedroom townhome for \$1,400 a month, Mr. Speaker, \$400 less. That gave them \$400 to put better food on their table, to maybe invest in some RESPs for their children, to pay down some debt that they may have accumulated somewhere along the way, and/or to put some extra money down on their mortgage so that they'd build up equity over time and create a more stable home and stable household and a stable place to live, which I think we all would agree is a good thing.

4:50

I'd like to think that we can bring this program through consultation, again, with the people that are doing that, Attainable Homes Calgary, the PEAK home ownership program. I'm sure there are similar programs. I know that Habitat for Humanity here in Edmonton has some similar programs that are attainable home ownership programs, not their traditional builds but a different program that they've done to give more families a hand up within the community. I'd like to think that we could blend that and take these kinds of programs forward in an opportunity to help all homeowners at every stage of home ownership, from their very first starter home up to their first and second move-up homes, and also to create some opportunities for greater energy efficiency across the entire province, including in the rural areas.

I mentioned earlier that there are some challenges in the rural areas because of the ability to put back on the grid and off the grid when, in fact, in urban areas that's a little less expensive to do. It may actually be already embedded into the delivery systems there for electricity that they can do so.

Mr. Speaker, I think that what has been proposed by my hon. colleague from Calgary-Hays is a reasonable amendment, a very reasonable amendment for us to consider. This really gives us an

opportunity as legislators to ensure, again, that we are not moving towards unintended consequences. Again, I think most of my colleagues have spoken here, and we've said that there is some good in this bill. There are some well-intentioned moves forward. There are some well-intentioned opportunities here for Albertans to increase their personal energy efficiency and to reduce their costs and, quite frankly, to help the environment individually, and I think Albertans feel good when they have an opportunity to do that.

But this is an opportunity, Mr. Speaker, I think, for us to ensure that we can do this with full diligence. I think we owe it to Albertans to be diligent in the legislation that we do in this House. We're here as the opposition, as the Official Opposition, to ensure that accountability is something that we bring to the table. We try and do it respectfully, and we try and do it in the name of talking about policy and not attacking individuals. Again, I've said that the minister here is, I'm sure, very well intentioned and I think has done some good work in bringing this forward. We would like that to be done in the spirit of achieving an optimal result for Albertans, and I think we have the opportunity to do that here.

I would ask the members opposite to think of it in that light, to consider it in the light that this is not meant to derail this legislation. This is meant to ensure that it is of the highest possible quality and calibre that we can do. I'm sure that the hon. Minister of Transportation would love to see that level of accountability. I know he does. I can see the smile on his face. He really wants us to be accountable, and he wants us to certainly be there.

Mr. Speaker, I will be supporting this amendment wholeheartedly. I hope that the members opposite will consider doing that to ensure that we can also bring the best possible legislation to this Assembly and that we can bring the best possible legislation to Albertans.

Thank you.

**The Speaker:** Any questions to the Member for Calgary-Fish Creek under 29(2)(a)?

Are there any other members who wish to speak to the amendment as proposed by Calgary-Hays? The Member for Grande Prairie-Smoky.

**Mr. Loewen:** Thank you very much, Mr. Speaker. I'd like to speak to this amendment. I think we've had an opportunity here to discuss some of the shortfalls of this bill. I think it's always great to have sober second thought in these matters. You know, we've seen this bill all of a sudden receive three pages of amendments to a four-page bill. Of course, that right away kind of sets off the alarm bells as far as: okay; have we really done our due diligence with this bill as far as making sure that it's been properly worded, properly brought forward, properly consulted on?

Now, when we first got this bill brought forward to us, we were kind of alarmed because we'd seen different things on the website as opposed to what was in the bill. Of course, the suggestion was made: don't look at the website; look at the legislation. But what happened then was that, okay, we quit looking at the website, and we started looking at the legislation. Then the legislation changed, too. It leaves us kind of open to some wondering and a little bit of dismay, of course, in the process that got us to this point.

Now, we look at the amendments, and I know the minister called them – that they were clarifying and not really changing anything. Of course, any time we have so many clarifying amendments, let's say, brought forward to the government's own bill, that they brought forward themselves, I mean, it's a little bit like damage control rather than, you know, actually clarifying things.

The minister talked about one of the mayors and read kind of a support letter from one of the mayors. What was interesting about

that support letter was that the mayor thanked the minister and the government for the amendments. Obviously, it wasn't that the mayor was consulted ahead of time and said: "Boy, this is great. I can't wait to see this hit the Legislature." He wrote his support letter thanking the government for the amendments. That sort of thing right there just shows that, you know, there had to be a lot more consultation done beforehand rather than after the bill was introduced and, in fact, after the amendments were actually brought forward.

Now, the minister also read the Rural Municipalities of Alberta support letter. Of course, they were looking for clarity on regulations, so I'm not sure that the letter was that much in support as opposed to wondering what it really means and where this legislation is going to end up.

I know the government also brought forward some builders and stuff like that in support of this legislation. Of course, it only makes sense that builders would support something like this because it gives them another opportunity to have people be financed to get projects done, you know, other than just going to a bank.

I guess one thing I wasn't sure of was if the government had consulted any seniors' groups and stuff like that. A lot of times seniors fall prey to, you know, situations like this where somebody could come in and say: "Wow. This is a great idea. This is going to save you all sorts of money." Seniors may not have the opportunity to do the research and realize whether it's a good deal or not.

Now, when the government brought this forward – I'm looking at some of the documents they used in support – they talked about how it was first implemented in California in 2008. In fact, two different documents the government put out talk about this. To try to sell the bill to Albertans and to us, it was: California has done this, so we should do this, too; it's been great for them. Well, Mr. Speaker, we found, of course, that there are lawsuits filed in California over this very same program. I just want to read here from an article a little bit.

Attorneys representing homeowners filed lawsuits Thursday against Los Angeles County, alleging a county program that funds solar panels and other energy-efficient home improvements is a "plague" . . .

That's in quotation marks.

. . . that's ruined the finances of many borrowers by saddling them with loans they cannot afford.

Mr. Speaker, I think some of the problems with this kind of legislation – and that's why if we could have some more time to consult on this – are that municipalities are not often in a situation where they can analyze whether certain people, you know, could handle the payments that would result from any of these kinds of improvements. Obviously, that kind of leaves a situation that leads them to the possibility of failure. Failure, of course, is a very serious thing in a situation like this because this could mean that you lose your home. It's not just a failure of: well, maybe they won't get the clean energy program or additions to their home that they want. They could lose their home and not have a place to live afterwards. Of course, people later in life, if left in a situation like that, will have a hard time recovering.

5:00

Now, some of the complaints that they've brought forward in this lawsuit are that

borrowers are now at risk of losing their homes because the loans are liens on a house, lacked adequate consumer protections, and were marketed and sold by unscrupulous contractors that were not properly monitored.

You know, a lot of people won't realize that these are liens on a house, that if these aren't paid back when they pay their taxes, they will lose their home.

It also goes on to say:

Specifically, the lawsuits allege the county and lenders have committed financial elder abuse, while the lenders charged inflated interest rates and broke a county contract that said they were to provide "best in class" protections against predatory lending and special safeguards for seniors.

So, Mr. Speaker, we sit here today, and we don't know what these regulations are going to be, what kinds of safeguards there are going to be on this. It leaves us in a situation where it's really hard to support something that you don't know where it's actually going to end up.

Then it goes on to say:

While the lenders have said they checked borrowers for previous bankruptcies or missed mortgage payments prior to approval, they did not ask for their incomes until recently, basing approvals largely on home equity.

When you base your decision of whether you do this kind of work for somebody on their home equity and not on their income, that doesn't tell you what their opportunity is to pay back these kinds of loans. All it says is that by selling their home, you will be able to recover the money that you've put in. I don't know if that's the best way to operate. Obviously, banks don't do that. Banks have to go through the paperwork with the people and say, "Okay; let's see your income, let's see your expenses, let's see other loans that you have, and let's see your credit card account and that sort of thing" so that they can get an idea that there's an opportunity to pay back these loans.

It talks about a fellow here, a 58-year-old former bus driver.

He took out a Renovate America loan for solar panels and attic insulation in 2016. [He] said before a contractor handed him a smartphone to sign, the individual didn't explain to him exactly how much he would be paying. He said he was told he'd qualify for a \$7,000 government check for going green, but found out it isn't available to him.

Then it went on to say:

He wasn't told he could lose his house if he didn't pay and only found out the true cost when paperwork arrived in the mail after the loan was finalized. He now owes roughly \$240 a month for 25 years, even though he said he and his wife, who suffers from multiple sclerosis, sometimes only have \$50 or less in their checking account each month.

So there's an example right there of, you know, somebody who was put in a situation that was very dire.

Mr. Speaker, we've got a situation here. There are other ways to borrow money. There's the opportunity to go to a bank, to go to different lending organizations, or there are other programs available to get money without a situation of going into this and going into your taxes and not having that safety check there to prove that these people, you know, have an opportunity to pay this back. Of course, again, it's a situation where we sit here with a bill where the regulations aren't being brought forward, just the bill itself, and we don't know where this is going to end up, so we're sitting here with this opportunity where we could be setting people up for failure.

Now, there's an organization called the National Consumer Law Center. These are some of the things that they've said about it.

While well-designed PACE programs may save energy and/or money for higher-income households, they are inappropriate for homeowners eligible for free or lower cost efficiency programs. Further, PACE has few consumer protections. Expensive loans that are often pushed by aggressive contractors for projects with questionable savings pose serious risks of predatory lending. Reports are already surfacing of problems that mimic the home equity scams and subprime abuses of the 1990s and 2000s.

They go on to say:

There are several PACE models, but typically PACE loans are first-priority liens that jump ahead of existing mortgages.



Obviously, this a situation here where some of these loaning institutions aren't interested in loaning money to somebody that has a PACE loan on their property because there's a chance that in a foreclosure the PACE loan will be paid out before the mortgage lender's loan is paid out. So some of these lending institutions aren't that excited to be involved with a property that already has a PACE loan on it.

Now, this same National Consumer Law Center goes on to say:

Underwriting does not check whether borrowers can afford the loan; there is no guarantee that energy savings will pay for the improvements.

So, Mr. Speaker, it's pretty clear that if the borrowers can't afford the loan, that's a problem right off the start, but if the energy savings don't cover the costs, then we definitely have a serious situation there.

They go on to say:

Taking on a PACE lien may violate existing mortgages (even if payments are made); and may cause problems when selling or refinancing the house.

Obviously, there are a lot of unknowns that aren't covered in this legislation. We don't know how this is actually going to affect different things as people go down the road as far as maybe refinancing their home or something like that down the road.

Now, it says here:

Fannie Mae and Freddie Mac, which are, of course, organizations in the U.S., will not purchase loans on properties with PACE liens so it can be hard to refinance or sell those properties.

These are some of the situations that people can find themselves in as they go through and try to take advantage of, you know, a PACE loan.

Mr. Speaker, again, I just want to encourage everybody to support this amendment. I think that there's plenty of opportunity to do a little more research on this, maybe include a little more information in the legislation so that we know and people will know what we're actually doing with Bill 10 and what's going to be in there as far as some of the regulations and that sort of thing so that we can have a little bit of clarity and so that people can make a decision based on that.

Thank you.

**The Speaker:** Any questions under 29(2)(a) to the Member for Grande Prairie-Smoky?

Any other members who wish to speak to the amendment?

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

[Several members rose calling for a division. The division bell was rung at 5:08 p.m.]

[Fifteen minutes having elapsed, the Assembly divided]

[The Speaker in the chair]

For the motion:

Gotfried	McIver	Strankman
Hanson	Smith	Yao
Loewen		

Against the motion:

Anderson, S.	Hinkley	Miller
Carson	Horne	Miranda
Clark	Jabbour	Payne

Connolly	Jansen	Phillips
Coolahan	Kazim	Piquette
Cortes-Vargas	Kleinsteinuber	Renaud
Dach	Larivee	Rosendahl
Dang	Loyola	Sabir
Drever	Luff	Schmidt
Feehan	Malkinson	Sucha
Fitzpatrick	Mason	Swann
Ganley	McCuaig-Boyd	Turner
Goehring	McKitrick	Woollard
Gray	McLean	
Totals:	For – 7	Against – 41

[Motion on amendment HA lost]

**The Speaker:** On the motion for third reading of Bill 10, An Act to Enable Clean Energy Improvements, as proposed by the Minister of Municipal Affairs.

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

[Several members rose calling for a division. The division bell was rung at 5:25 p.m.]

[Fifteen minutes having elapsed, the Assembly divided]

[The Speaker in the chair]

For the motion:

Anderson, S.	Gray	Miller
Carson	Hinkley	Miranda
Clark	Horne	Nielsen
Connolly	Jabbour	Payne
Coolahan	Kazim	Phillips
Cortes-Vargas	Kleinsteinuber	Piquette
Dach	Larivee	Renaud
Dang	Loyola	Rosendahl
Drever	Luff	Sabir
Feehan	Malkinson	Sucha
Fitzpatrick	Mason	Swann
Fraser	McCuaig-Boyd	Turner
Ganley	McKitrick	Woollard
Goehring		

5:40

Against the motion:

Gotfried	Nixon	Strankman
Hanson	Schneider	Yao
Loewen	Smith	

Totals:	For – 40	Against – 8
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[Motion carried; Bill 10 read a third time]

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

**Mr. Mason:** Thank you, Mr. Speaker. Pursuant to Government Motion 20 I would like to notify the Assembly that there will be no evening sitting today.

Further to that, I will now move that the House adjourn until 9 o'clock tomorrow morning.

[Motion carried; the Assembly adjourned at 5:44 p.m.]



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