

## Legislative Assembly of Alberta

Title: **Wednesday, December 3, 2003** **8:00 p.m.**  
 Date: 2003/12/03  
 [Mr. Shariff in the chair]

**The Acting Speaker:** Please be seated. Hon. members, before we proceed with Orders of the Day, may we briefly revert to Introduction of Guests?

[Unanimous consent granted]

head: **Introduction of Guests**

**The Acting Speaker:** The hon. Minister of Innovation and Science.

**Mr. Doerksen:** Mr. Speaker, thank you for this opportunity. I want to introduce to you a very special lady in my life who is visiting us today in the Legislature and who is taking her bachelor of education degree at the University of Alberta. This week she actually received a very nice letter from the Minister of Learning when she received a nice little cheque in the mail having received the Jason Lang scholarship. So I'd like to introduce to everybody my daughter Pam, who is with us this evening. If you'd stand and receive the traditional warm welcome of the Assembly.

head: **Government Bills and Orders**

head: Committee of the Whole

[Mr. Shariff in the chair]

**The Deputy Chair:** Hon. members, we'll call the committee to order.

### Bill 38

#### Workers' Compensation Amendment Act, 2003

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

**Ms Blakeman:** Thanks very much, Mr. Chairman. We in the Liberal opposition had spoken in favour of Bill 38, the Workers' Compensation Amendment Act, 2003, and I had a question. I had a note from the sponsoring member, who indicated that a plan was in place but that he would check, so I was expecting to get some kind of an update or an answer on that. Difficult to proceed when you don't have all the information here. [interjection] Okay. The Minister of Justice and Attorney General is generously offering to sub in on this.

This amendment is really designed to bring into place the adult interdependent partnership and to recognize that as part of an amendment to pay a deceased worker's pension to dependent children if they were living with that worker at the time of the death but they don't currently live with a spouse or with an adult interdependent partner. I was trying to make sure that there was, I think, a quality being assessed here. I believe that was my question. So I'll hope that, in fact, that's going to happen and trust in that and allow the bill to proceed.

We have no objections to what's being put forward. In fact, we're encouraging of it. Thank you.

**The Deputy Chair:** The hon. Minister of Justice and Attorney General.

**Mr. Hancock:** Thank you, Mr. Chairman. As I understand it, there were two queries with respect to the act which I can provide some information on. The first was with respect to the coming into force of section 81 of the Adult Interdependent Relationships Act. What the House will recognize is that certain sections of the Adult Interdependent Relationships Act were not proclaimed until other things could be done to make them effective. This deals with the issues relative to the Workers' Compensation Act. Once this act is passed, we then can proclaim that section of the Adult Interdependent Relationships Act, and it can come into effect relative to the Workers' Compensation Act. So that's the net effect of this. There was some time necessary for the Workers' Compensation Board to examine how the Adult Interdependent Relationships Act would impact their statute and their business.

With respect to children, of course, the concept is to make sure that children are treated in the same manner whether they are children of married parents or children of adult interdependent partners.

So the act is really very straightforward. It just aligns the law so that family law is family law is family law and children are treated in the same manner. It'll come into force now on the proclamation of that section of the Adult Interdependent Relationships Act, which of course has no further impediments when this bill gets passed.

[The clauses of Bill 38 agreed to]

[Title and preamble agreed to]

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

**Hon. Members:** Agreed.

**The Deputy Chair:** Opposed? Carried.

### Bill 46

#### Municipal Government Amendment Act, 2003

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

**Ms Blakeman:** Thanks very much, Mr. Chairman. I appreciate the opportunity to speak again to this bill but during committee. When I had spoken to this on December 2, I had asked a number of questions of the minister, and he just referred me back to his comments in *Hansard*. From reading through that and some other investigation, I understand the context of this now. Essentially, we have a situation where there was a court challenge against what was an accepted practice, and the challenge won, in fact. Was it the Urban Development Institute? Yes. What that did was put into jeopardy a number of other arrangements that had been of some long standing but, in fact, were not written into law. In essence, it's common law versus written law, and we're now providing the written law to support that so that it doesn't jeopardize anything else.

There is support for this from AUMA and from AAMD and C. As well, the mayors of Calgary and Edmonton through the roles, responsibilities, and resources committee have given their support for this.

I stand by my earlier comments addressing the concerns around safety of water and the public concerns that have been expressed and the onus on us as legislators to ensure that we're being open and accountable to taxpayers and citizens around those health and safety

issues, but I have no problem with this bill going forward as I understand it.

Thank you.

[The clauses of Bill 46 agreed to]

[Title and preamble agreed to]

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

**Hon. Members:** Agreed.

**The Deputy Chair:** Opposed? Carried.

8:10

#### Bill 52

#### Health Professions Amendment Act, 2003

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

**Dr. Taft:** Thank you, Mr. Chairman. There was some discussion on this bill in the last couple of days, and nothing has occurred nor any information come to my attention in the interval to allay some of the concerns I raised, so I shall repeat them briefly here and perhaps elaborate on some of the sections of this bill given that we are in committee.

My fundamental concerns here are ones of privacy and cost, and I feel like this bill, which is part of the larger process of computerizing our entire health information system in Alberta, raises those concerns, the first being: how are we genuinely protecting confidentiality and privacy here? Secondly, what are the real costs involved?

When I think of all the thousands and thousands of health professionals in Alberta who work every day and I think of the countless tens or possibly hundreds of thousands of procedures that are conducted every day and I try to imagine all that information being put into a computer system, I really, really become concerned that we are stepping into an electronic black hole of costs, the kind of thing that we might see dwarfing even the out-of-control costs of the gun registry. This bill merits those comments because it's part of that process. This bill, as I understand it, is being brought forward to facilitate that computerization.

Some of the sections, of course, are straightforward. It's simply changes of names or corrections in terminology, updates of language that has been used in other acts. A couple of these sections are more substantive. For example, section 4 of the bill, which amends section 122(1) of the Health Professions Act, compels the registrar to disclose information about registered health professionals such as their demographic status, their education, their training, their experience, and so on to the minister or to persons directed by the minister. This is the kind of thing that I think we just need to be very deliberate in approving. We don't want to blindly be stepping into situations where private information may be circulated or may be passed on at the minister's direction to who knows who.

One of the other concerns I raised with this bill is that an awful lot of it is going to be sorted out in regulations which we haven't seen, so we don't really know in detail what we're voting on. If there was one thing I would ask for with this bill, it would be a cost-benefit analysis. How much is this registry going to cost? What, really, are the benefits going to be?

So, Mr. Chairman, with those comments, I simply register my skepticism about this particular bill and, more generally, about the

larger process that this bill is part of. As a result, I will probably be opposing the bill.

Thank you.

[The clauses of Bill 52 agreed to]

[Title and preamble agreed to]

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

**Hon. Members:** Agreed.

**The Deputy Chair:** Opposed? Carried.

#### Bill 55

#### Farm Implement Amendment Act, 2003

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

**Mr. Marz:** Thank you very much, Mr. Chairman. I'm pleased to rise again to address Bill 55, the Farm Implement Amendment Act, 2003, and I'd like to thank the Deputy Premier and Minister of Agriculture, Food and Rural Development for allowing me to carry this bill through the House.

During second reading of this bill I was pleased to hear that there is general support for this bill, and I appreciate the comments being made by members of the opposition. This gives me further confidence in the fact that this amendment is making a much-needed change to the licensing conditions for farm implement dealers and distributors. I'm not surprised by the support as we have consulted with and taken advice from the industry on this issue.

I'd like to take some time to address those issues that have been raised. One was concerning levies. The levies will be assessed annually for each dealer and distributor located in Alberta until a minimum fund of \$500,000 is established. At that point, levies will be reduced to a nominal fee or may be nullified. At a proposed amount of \$750 per year it's expected to take less than two years to reach this amount. Producers do not have to pay these levies. Only dealers and distributors do.

It's important to note that these levies are set by the Farm Implement Board, not by government, as section 36(b) points out, and the \$500,000 limit was established by the current board, which was recommended to them by the industry. I'd like to assure the members that public funds will not be used for the compensation fund. We expect that within a month of collecting the levies, starting in January of 2004, between \$300,000 and \$350,000 will be raised initially if the proposed levy is \$750, which will be set by the board.

Dealers and distributors that were not licensed in 2003 will pay an additional assessment, about the same amount. New dealers and distributors will always pay the full levy as determined by the Farm Implement Board. Additional levies will be assessed on dealers and distributors with a high claims record at the discretion, again, of the board. The fund will be properly accounted for and documented and will be available for public scrutiny as explained in section 42 of the bill.

There were also some concerns raised over an increase in bureaucracy, and I'd like to assure the members that we actually expect that once the initial transfer of the process is complete, the amount of the bureaucracy needed will likely decrease. The Farmers' Advocate office in the department of agriculture, which is very well respected in the agricultural community, is currently responsible

for the administration of bonds and claims. They will retain responsibility for clerical functions of the compensation fund, and it's expected that fewer functional staff hours will actually be required, but the administration of the fund, the investment of the fund, the payouts, and the levies are all the responsibility of the new board.

There will continue to be a very quick turnaround time for hearings, and this is obviously a priority, and the office of the Farmers' Advocate is well experienced in those areas.

One point that was raised by the Leader of the Opposition: why is this type of compensation fund not in place for all rural businesses? Well, as it stands, farm implement dealers and distributors can only be licensed if they are properly bonded. The current process for securing a bond is in many cases putting people out of business. It's simply not feasible for them to obtain bonds, making it impossible to be licensed. Other businesses in rural Alberta haven't had the same burden as dealers because the bond requirements aren't as prohibitive because the cost of the salable items doesn't compare. A combine is around roughly \$350,000. A tractor could be \$195,000 to \$200,000 or \$225,000. So it's quite different than a \$35,000 or \$50,000 truck from a different type of dealer. So some sort of guarantee is still required for farm dealerships.

The need for a compensation fund for dealers and distributors becomes evident because of the costs that I highlighted. Many farmers make several large purchases a year during good years, and the loss of a deposit on a combine plus the residual cost of a trade-in could actually bankrupt a farmer. To acquire a combine, in many cases a down payment is required before it's delivered, or in some cases a trade-in is accepted as the down payment. In those cases, if the deal is signed, the trade-in may actually be sold, and if a dealer were to go bankrupt, that would have that farmer be out, and they could claim under this new compensation fund.

8:20

The compensation fund, it's important to note, is not insurance against a bad business year. It's a way to ensure that dealers and distributors are able to fairly and properly indemnify their customers specifically relating to warranty and sales agreement obligations.

Let me reiterate that the compensation fund will be completely run outside the purview of the provincial government and will have no impact on the provincial government's budget. It's not a government-run insurance program. It's a totally industry-run compensation fund.

Mr. Chairman, this government recognizes that by not making these changes to the Farm Implement Act more and more unlicensed dealers and distributors will surface. This will leave many more producers vulnerable to significant and even devastating financial losses due to broken contracts and unfulfilled warranties relating to their farm implements and could cause them to go bankrupt as well. So passing this bill will accomplish much in avoiding that scenario.

So with those comments, Mr. Chair, I'll conclude, and if there are some other questions by any of the members, I'd be happy to try to answer them. Thank you.

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

**Ms Blakeman:** Thanks very much, Mr. Chairman. Pleased to speak in – where the heck are we? – Committee of the Whole on Bill 55, Farm Implement Amendment Act, 2003, and I did speak to this in second reading.

The Leader of the Official Opposition, who is also our agriculture critic, had spoken about this and was urging us to support the bill because it is something that's needed. He was, as the member said,

questioning whether the appropriate amount of money is going to be gathered, and the member has just answered that question by explaining: yes, it's to be in about the same range as this piece of equipment or the most expensive piece of equipment. That's the point: you want either the service in place for the life of the machinery that you buy and/or you need that bond to be able to help you to go and buy that service from some other place. So that's good for the industry. It's good for agriculture.

There was a concern expressed to make sure that it didn't become too bureaucratic. That may well be what the member was talking about when we talked about the tire fund, which has also amassed a rather large surplus and is now expected to put some of it out.

**Mr. MacDonald:** Are snowmobiles going to be in that?

**Ms Blakeman:** The question from my colleague is: will snowmobiles be included in this? In fact, some of the farm implement dealers are also known for manufacturing snowmobiles, and they would in fact be covered under this. Part of what's being anticipated here is a crossover between the implement dealers and manufacturers and those same companies, businesses, carrying other products, so they are covered here.

We discussed whether the fee was appropriate for the level of coverage and the actuarial conditions, whether it is going to help sustain the players in the industry, and the integration of the economy with the agricultural area crossing over to the industrial area. That's part of my conversation about the snowmobiles. So our questions have been answered.

Given my understanding of the bill I'm willing to support it at this stage. Thank you, Mr. Chairman.

**The Deputy Chair:** The hon. Member for Edmonton-Highlands.

**Mr. Mason:** Thank you very much, Mr. Chairman. I'm pleased to rise to speak to the Farm Implement Amendment Act. I just want to indicate that the problems that we have with this bill relate to the elimination of the need for agriculture implement dealers to keep – is it bonds?

**An Hon. Member:** A bond.

**Mr. Mason:** Keep a bond. I'll just be very brief, Mr. Chairman. [interjections] Yes. I'm informed by my Liberal colleagues that, you know, every time somebody says "bond" in this place, they think of their agent in London that the Premier spoke about today in question period. I don't know if the Liberals really are the British Secret Service so much as they are a deep international criminal conspiracy with tentacles in every capital of the world. Nevertheless, nevertheless.

I want to come back to this issue, and quite frankly I don't agree with it, Mr. Chairman. I don't agree with removing the requirement for farm implement dealers to have bonds. If they can't be bonded, if they can't afford a bond, maybe they ought not to be in the business.

I think that the real question is the policies of the federal and provincial governments with respect to supporting farming and the desire, in fact – I would go so far as to call it a desire – on the part of government to eliminate so-called inefficient small farms. This is undermining the rural economy, in our view. Between 1996 and 2001 government and corporation policies eliminated 11 percent of farm families in Canada, and of course the government argues that these are inefficient, but I think the question is that government policies, defective markets, and big corporations which have

insufficient competition are responsible for what is wiping out the farms of families in this country. They're painted as insufficient, but I don't believe that's so.

For example, Stats Canada data shows that over the past 40 years no other sector has matched the efficiency gains of farmers. The prices that farmers receive for their products have not increased in any real sense for 25 years. According to the president of the National Farmers' Union, Mr. Stewart Wells, only those who can produce and deliver their products at 1975 prices are qualified to lecture farmers on efficiency because that's the situation. The situation is that farms have led the country in efficiency gains at a time when their prices have not increased since 1975.

So, Mr. Chairman, we want to indicate that we believe that if other sectors of the agricultural economy, for example farm implement dealers, are struggling now, it is because of the policies of this government and of the federal government to push so-called inefficient family farms off the map, and it has a cascading effect throughout the economy. We want to indicate that we don't support the changes that are proposed in this bill and will not be supporting it.

Thank you, Mr. Chairman.

8:30

**The Deputy Chair:** The hon. Member for Olds-Didsbury-Three Hills.

**Mr. Marz:** Yes, Mr. Chairman. Just a few comments to address those concerns that were brought up by Edmonton-Centre about the bureaucracy perhaps growing to be top-heavy. I'd just like to point out that the board will be made up of one dealer member from the Canada West Equipment Dealers Association, one manufacturer member from PIMA Agricultural Manufacturers Association, one distributor member from the Canadian Farm and Industrial Equipment Institute, three farmer members from various commodity groups, which can change over the period of time, and one farmer member that's appointed by the minister of agriculture, as well as the Farmer's Advocate doing clerical work. These are member representatives, so it's in their best interests to keep the levies down to make sure that they're accountable to their members by making sure that the bureaucracy doesn't get too top-heavy.

That also addresses the Member for Edmonton-Strathcona's concerns the other day on the composition of the board. I believe he raised that as well.

I'm a little surprised to hear the Member for Edmonton-Highlands not supporting an initiative that is mirroring that which is existing in Saskatchewan and Manitoba, which are NDP governments there, so he is basically voting against what our neighbouring socialist provinces are doing. So I'm not too sure where the member's coming from on that, but I'd like to assure him that this is a substitute for the bond issue. It will make it more affordable for dealers and distributors, and it will provide the same level of security and comfort for the producers, which are their customers.

So at that I would call for the question.

**The Deputy Chair:** The hon. Member for Edmonton-Riverview.

**Dr. Taft:** Thank you, Mr. Chairman. I just want to make an observation here that my understanding is that the impetus for this bill was a change in the approach and attitude of the insurance industry that occurred after the World Trade Center attack. Insurance companies began squeezing the dealers and distributors a bit for more information, and they refused bonds and service and so on, or they're requiring all of their business to go through a particular

insurance company. As well, premiums providing this kind of insurance have gone up.

My observation is simply that there is a much broader crisis in the insurance industry than what we have been spending so much time on in this Legislature debating. In other words, there is a much broader crisis in the insurance industry than just automotive insurance. Also, I know from reports in my constituency office that property and business insurance is a really big concern. I reflect back on a survey undertaken earlier this year of small businesses that identified insurance costs as the single biggest problem that small businesses are facing, and it may be that we are going to be debating in the future more and more bills that stem from this chronic and widespread crisis across the entire spectrum of insurance.

So I'm just putting a bit of context around this particular bill and trying to raise a long-term warning that the insurance crisis that we're seeing in the automotive business could be flaring up in business insurance, casualty insurance, property insurance over the next couple of years. We're seeing an early sign of that in this bill.

Thank you.

**The Deputy Chair:** The hon. Member for Olds-Didsbury-Three Hills.

**Mr. Marz:** Yes. I'd just like to address his comments, Mr. Chairman. The member is correct that there's been a downturn in the markets that has caused some prices to increase, and the insurance industry is an area where prices increased, but increased prices due to 9-11 are not unique to the private sector. One only needs to look at the two major expenditures of this government for which many of the members in here are constantly asking for increases, and those are health and education. Those costs have gone up extremely high in the public sector, so it's not just due to the prices in the private sector. Prices are going up in the public sector at a very high rate as well as going up in the private sector.

I guess that addresses the comments that the member brought up, so unless there's more, I'll take my seat.

[The clauses of Bill 55 agreed to]

[Title and preamble agreed to]

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

**Hon. Members:** Agreed.

**The Deputy Chair:** Opposed? Carried.

The hon. Government House Leader.

**Mr. Hancock:** Thank you, Mr. Chairman. I'd move that the committee rise and report bills 38, 46, 52, and 55.

[Motion carried]

[Mr. Shariff in the chair]

**The Acting Speaker:** The hon. Member for Calgary-Lougheed.

**Ms Graham:** Thank you, Mr. Speaker. I'd like to report that the Committee of the Whole has had under consideration certain bills. The committee reports the following: Bill 38, Bill 46, Bill 52, and Bill 55.

**The Acting Speaker:** Does the Assembly concur in the report?

**Hon. Members:** Concur.

**The Acting Speaker:** Opposed? So ordered.

The hon. Government House Leader.

**Mr. Hancock:** Thank you, Mr. Speaker. At this time I'd like to request unanimous consent of the House to read Bill 57 for third reading. It having been read in second reading this afternoon, it will require the unanimous consent of the House to proceed.

[Unanimous consent granted]

head: **Government Bills and Orders**

head: Third Reading

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

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

**Mr. Hancock:** Thank you, Mr. Speaker. In accordance with the practice and tradition of the House I would move Bill 57, Miscellaneous Statutes Amendment Act, 2003 (No. 2) for third reading.

[Motion carried; Bill 57 read a third time]

8:40

**Bill 38**  
**Workers' Compensation Amendment Act, 2003**

**Mr. Dunford:** Sir, on behalf of the Member for Clover Bar-Fort Saskatchewan I'd like to move third reading of Bill 38, the Workers' Compensation Amendment Act, 2003.

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

**Mr. MacDonald:** Thank you, Mr. Speaker. Bill 38 has certainly been reviewed on this side of the House, and it is a bill that we are pleased to support.

Thank you.

[Motion carried; Bill 38 read a third time]

**Bill 45**  
**Family Law Act**

**The Acting Speaker:** The hon. Member for Calgary-Lougheed.

**Ms Graham:** Thank you very much, Mr. Speaker. I'm pleased to rise this evening to move third reading of Bill 45, the Family Law Act.

Over the years, Mr. Speaker, I've been privileged to work on a number of family law initiatives, including the chairmanship of the MLA review of the maintenance enforcement program and child access and more recently the Unified Family Court Task Force and now the implementation steering committee. I've been a strong advocate for the need to consolidate our family law legislation.

Mr. Speaker, these initiatives have been about simplifying Alberta family law, making it easier for Albertans to understand and to access. Bill 45 marks the culmination of Alberta Justice's family law reform project, which has involved reviewing all of our family legislation, ensuring that it is up to date, and introducing amendments where appropriate to ensure that our legislation meets the current needs of Alberta families.

As you know, Mr. Speaker, this bill was introduced in the spring

and held over until the fall sitting. This allowed government to accept feedback from key justice stakeholders and the public. It also allowed us to introduce some House amendments.

Because the content of the bill has been the subject of full debate in the House, I won't revisit any specifics during third reading. I would, however, like to take this opportunity to once again commend Alberta Justice and the Alberta Law Reform Institute for all of their efforts in bringing this legislation forward and to all others who provided input or who commented on the legislation after it was introduced. All of your help is appreciated.

Mr. Speaker, I am proud of the legislation that we now have and feel that the bill places the emphasis where it should be, with a big focus on children, and also provides a framework for arranging family affairs, reducing confrontation, and in turn having the effect of reducing the emotional and financial costs of family law.

Mr. Speaker, I close by encouraging all members to support third reading of Bill 45.

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

**Ms Blakeman:** Thanks very much, Mr. Speaker. We've come to third reading on Bill 45. I think this bill will have a profound effect on families in Alberta. We are basically updating and consolidating all of the laws that affect how families behave and particularly how they come apart, how they dissolve, and the expectations that are placed upon people when that happens. So this is an important bill and a bill, I think, that will affect people probably every day of their lives.

I appreciate the amount of careful consideration that's been put into the development of the bill by the minister and his staff, the sponsoring member, and most particularly by those people who responded to any request for public consultation, and certainly those people that have been in contact with me expressing their concerns, their hopes, and their dreams as far as what they were looking for out of this act.

Now, I did speak at length to this bill a week ago and brought forward a number of amendments which I was hoping would be accepted because, as I explained at the time that I introduced the amendments, I felt that it was necessary in order to create legislation that was in fact Charter proof and did not subject Alberta taxpayers to an additional series of expenses and costs related to challenging or defending the government's position through the courts. I was not successful in doing that. Therefore, I do expect that there will be some court challenges on what's been missed here.

I also raised a number of points where I felt that inequality had been entrenched into this legislation, which is a second profound disappointment for me in this bill, particularly around cases where we are treating people who have access to the Divorce Act – that is, people who are married – differently than people who have access to only the Family Law Act. The divorcing people would have in some cases a choice between the Divorce Act and the Family Law Act. There are inequities that are being created with this bill that I was trying to correct.

In particular, I think we have caused some people to have to go to additional expense and time and through court manoeuvres in order to achieve what they are seeking, particularly around the surrogacy and assisted-conception sections that are in the bill, where in effect we are now creating legal parents. Because of the technological advances in new reproductive technology, we can create parents where we couldn't before. I was seeking to be able to have many different people be able to seek these remedies, to be creating parents rather than to be creating specifically mothers and fathers. I felt that the concept of parent was more inclusive and more important,

therefore, than segregating this into stereotypical gender-specific roles. The government was not supportive of that.

I think these are the areas that were most likely to receive the challenges. The government seems to be willing to spend taxpayers' money defending that. So be it.

I did raise some other issues which have been unresolved, particularly around notification being given to youth 16 and above that are children of divorcing or separating parents who are in a situation of a breakup of a household relationship in which there are children. Those 16 and above would be given a copy of the affidavits and various court notifications, which I felt could be harmful in that people do awful things when their household is breaking up and say awful things about one another, and now we're going to be putting this in the mail or otherwise presenting these to young people. I felt that was unfortunate. Hopefully, we can all use common sense and be careful about the application of these particular clauses and sections.

Now, around the contact and access sections I've had contact again from the Alberta Grandparents' Association, who are valiantly trying to get a last-minute reprieve from what is about to be entrenched in this legislation. I certainly admire their perseverance. It's a strongly held and deeply felt campaign that they are waging here.

8:50

I agree about the test. I think the test is too difficult here. Essentially, when we're talking about who can have contact, if the parents have determined that they didn't want grandparents to have contact, how do grandparents fight that? The determination was the best interests of the child, but there is an overriding philosophy that is enshrined in here that has parental rights first. Therefore, the test is against the grandparents. They have to prove that there's a good reason why they should be given contact, rather than the parents having to prove why contact should be denied. I agree with the grandparents' rights groups that the test is too hard. I think that as our definition and understanding of family shifts to cope with the realities in front of us, we want to have as many positive role models and loving people looking out for children as possible. I felt that this was unnecessarily harsh against the grandparents to have to leap the bar that was set very high for them here.

So when there are statements made by, for example, the sponsoring member – and this is taken from the *Hansard* of November 19 – that it's important that our Alberta Legislature “be reflective of what Albertans see as fair and appropriate,” the grandparents group is pointing out that in a public opinion poll three-quarters of respondents felt that grandchildren should have the right to a relationship with their grandparents. When parents deny access to grandchildren, they should be required to provide valid reasons for denying that access.

The sponsoring Member for Calgary-Lougheed had also mentioned that the Department of Justice had looked at best practices of legislation across the country, and this group is questioning whether the civil code of Quebec was looked at, which has a clause that “in no case may the father or mother, without a grave reason, interfere with . . . relations between the child and his grandparents.” So, again, that test is reversed there.

The parenting after separation courses that the Member for Calgary-Lougheed referred to on November 19. Increasingly we look towards court-ordered mediation and voluntary mediation around these family disputes, which are excellent ideas as long as they're not coerced. Mediation doesn't work if it's coerced. This group is inquiring as to why there couldn't be a mandatory mediation program where families could meet to resolve these issues. I

don't know that I'm supportive of that particular concern that they're expressing, because again I think there are some excellent programs available throughout Alberta in different centres where families can voluntarily go into mediation. I'm always a little cautious about it being forced upon people. I think it's less effective.

Potential ramifications of grandparent access on the parents. We get into this discussion about an intact family and a non-intact family, and again we've created an inequality here. A non-intact family has different rules around it than an intact one, and I'm not comfortable with that. I think we should have approached it on the same playing field, on an even basis.

I've already pointed out the best interests of the child and that I felt that that test was too high.

Who knows? There may well be court challenges coming forward from some of these groups against what has been developed into this legislation. That's why the courts are there. If people believe strongly that there is an inequality that's been created or that has been upheld and brought along, that's why that Charter is there. Part of what makes Canada such a great country, in my opinion, is that we do have the existence of that Charter that gives us that opportunity as citizens to challenge what the legislators have done if we believe that it's not fair.

So viewing this legislation in total, are we better off with it than without it? Yes. Does it resolve some difficulties and some problems that exist in Alberta society? Yes, it does. Is this the best it could have been? No, it's not.

I have grave concerns when I see legislators knowingly allow inequities to go forward and knowingly discriminate against an identifiable group of people, and in this case it was same-sex parents. I think that is so wrong, and it's part of why I ran for election. I really object to that. I don't think we can call ourselves a society that values equality or a society that's progressive when we continue to say: well, everybody's equal except for these people. That's not equality, and it's not acceptable to me and never will be.

I think we could have made this legislation better, and the government made the choice not to. I'll continue to fight what I feel are the omissions, deliberate and otherwise, in this legislation, but on balance of what I see in here, I think we're better to have the legislation than not. It's always a question of: is the glass half full or half empty? This is always the point that's a difficult one for me. Do I support legislation that I know is flawed because I think that overall, on balance, it's better to have it than not to have it? Or do I say, no, I can't support it because we should really make it as good as we can?

We're not likely to come back and open this legislation up voluntarily for five or 10 years, so that means that we have to live with this for a very long period of time, perhaps even a generation in the life of Alberta society. Is that appropriate? Should I be willing to let that go? Should I be willing to allow a distinct group of people in Alberta to be discriminated against, perhaps for as long as a generation? That always causes me a great deal of careful thought. It is a difficulty for me, and I have to tell you, as I stand here right now, that I'm still undecided about whether I would support this in third reading. I did support it in principle in second reading, and I fought hard for those amendments in committee. Having them be so resoundingly rejected is causing me some difficulties because of the philosophy that backstops that.

So thank you for the opportunity to discuss what I believe will be the effect of this bill in third reading. It's mostly very good work, and a little bit of it is very bad work. Thank you.

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

**Mr. MacDonald:** Thank you very much, Mr. Speaker. I was listening with interest to the remarks from my colleague from Edmonton-Centre in regard to the Family Law Act, Bill 45. I, too, share her concerns. Certainly, when this bill was left on the Order Paper over the summer from the spring session, it allowed many people an opportunity to have a second look at this legislative initiative, and many people have contacted our constituency office in regard to this bill.

There certainly are some problems with the bill, as was expressed by the hon. Member for Edmonton-Centre, that are going to create uncertainty and unfairness, and that may leave certain sections of the legislation vulnerable to court challenge. Now, perhaps before we conclude debate at third reading on this, the hon. Member for Calgary-Lougheed could tell the Assembly or perhaps even table in the Assembly any legal opinions that may have been made by the Justice department or perhaps by the Alberta Law Reform Institute. Maybe it'll be similar to what happened with the debate around the insurance reforms. There were outside legal opinions sought, and perhaps those legal opinions would go a long way to satisfying this member's issues.

9:00

When we look at the bill and we review some of the concerns that were outlined, I certainly had permission, Mr. Speaker, to discuss this constituent's concerns in the Assembly, but just for her own privacy I will simply refer to this constituent as Rosemary. Rosemary phoned our office some time ago and expressed concerns about Bill 45, and I certainly would like to ensure that Rosemary's concerns are on the record before we vote on this legislation. When we consider support for persons in need, this would be her primary concern.

Now, in this section we are dealing with the question of support for children over the age of 18 who are pursuing an education. Under the Divorce Act children are certainly entitled to receive support over the age of 18 if they are pursuing an education and, thus, remain dependent. This has been amended, and whether it would satisfy Rosemary or not is yet to be seen, but the express exclusion of such applications to mean the children of common-law relationships will be treated significantly differently than those of married relationships. This exclusion and the resulting difference in treatment, in her opinion, would almost certainly violate the equality provisions of the Charter. Now, it has been fixed by the amendment, but Rosemary was quite determined that that change should be made.

Rosemary also had reservations about raising the age from 18 to 22 years. Those were her opinions as well.

With those remarks, Mr. Speaker, we will see through the course of time what happens with this legislation, and hopefully Rosemary and others will be satisfied with the work not only by the hon. Member for Calgary-Lougheed but satisfied with the work of this Assembly in the matter of the reforming of the Family Law Act.

Thank you.

**The Acting Speaker:** Hon. members, Standing Order 29 kicks in. Any questions?

The hon. Government House Leader.

**Mr. Hancock:** Thank you, Mr. Speaker. I just wanted to say a few things about the Family Law Act, Bill 45. First of all, I wanted to thank the Member for Calgary-Lougheed for carrying the bill and for being a diligent and innovative supporter of the reform of family law in this province over a number of years, perhaps not starting with but at least including the review of the maintenance enforcement program, in many ways identifying the need for the reform of family

law and being persistent in ensuring that that case was carried and that the job was done. So I think it's important to put on the record the amount of work that's been undertaken by that particular member of this House to make sure that family law in this province has been modernized, brought up to date, made accessible to Albertans.

I also wanted to put on record my thanks to the staff in the Department of Justice because this has been a strong and a long-time project that's occupied a lot of hours, a lot of talent, a lot of consultation with the public. It would be remiss of me to allow third reading to happen without saying on the record what a good job, what a great job by the people in the Department of Justice in this province who have worked so hard on family law reform over what has been at least a three-year project.

I think that no law is perfect. Otherwise, we would just pass them and go home and not have to come back. I expect that we'll revisit and improve laws in this province on an ongoing basis. There may be things that have been missed. Maybe even some of the things that hon. members opposite have talked about will have to be revisited. But this is a good piece of work, Mr. Speaker. It's a good piece of work because of the efforts of Calgary-Lougheed, because of the strong efforts of the people in the Department of Justice, and because of the participation of so many stakeholders and so many Alberta citizens in taking an interest in family law and making sure that our children come first.

Thank you, Mr. Speaker.

**The Acting Speaker:** Standing Order 29.

Anybody else wish to speak on the bill? The hon. Member for Calgary-Lougheed to close debate.

**Ms Graham:** Yes, Mr. Speaker. I so do.

[Motion carried; Bill 45 read a third time]

#### Bill 46

#### Municipal Government Amendment Act, 2003

**The Acting Speaker:** The hon. Government House Leader on behalf of the Minister of Municipal Affairs.

**Mr. Hancock:** Yes, Mr. Speaker. Thank you. It's my pleasure to move on behalf of the Minister of Municipal Affairs the Municipal Government Amendment Act, 2003.

There was some discussion of the act in committee this afternoon. I think it covered most of the ground. The act provides for some changes to make certain the practice that has been undertaken in the province between the municipal governments and developers and also rules with respect to the management of certain sports, clarifying that for municipal governments in the province.

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

**Mr. MacDonald:** Thank you very much, Mr. Speaker. Certainly, Bill 46, the Municipal Government Amendment Act, has been studied and has been examined by the hon. Member for Edmonton-Glengarry. At this time in third reading we would like to state on the record that we are going to support this bill as well.

Thank you.

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

**Mr. Boutlier:** Thank you, Mr. Speaker. In closing debate, I want to thank all of the hon. members who have . . .

**The Acting Speaker:** Hon. minister, we just need to make sure that nobody else wants to speak before you close debate. Does anybody else wish to speak on this bill?

The hon. Minister of Municipal Affairs to close debate.

**Mr. Boutilier:** Thank you. Mr. Speaker, I want to thank all of the hon. members who have brought forward feedback, important comments relative to this enabling legislation. I also want to thank the many stakeholders, including the Urban Development Institute, the UDI group, as well as the Home Builders' association, the AUMA, the AAMD and C, the cities of Edmonton and Calgary, and many other municipalities who have been involved. I do want to say that MLAs have brought forward important feedback as we continue to grow and make the Alberta advantage even stronger. I believe this enabling legislation will do that in helping developers and also helping municipalities.

Thank you, Mr. Speaker.

[Motion carried; Bill 46 read a third time]

9:10

### Bill 49

#### Public Lands Amendment Act, 2003

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

**Mr. Ducharme:** Thank you, Mr. Speaker. Winston Churchill once said: it is a fine thing to be honest, but it is also important to be right. It is with a strong conviction of doing what is right that I rise today to move third reading of Bill 49, the Public Lands Amendment Act, 2003.

When the Minister of Sustainable Resource Development asked me to sponsor this bill on his behalf, I did so because I supported the proposed amendments. The changes to the Public Lands Act were, one, to provide for better enforcement tools for unlawful activities on public land regardless of who commits these acts. This amendment does not create new restrictions for the use of public land. It's about clarifying existing rules and giving better tools to deal with unlawful activities, whether it be trespassing on closed roads, destroying gates, or preventing access to those who have the right to lawfully access the area. Two, it allows the government to respond to increased demand within the agricultural industry to allow some bison grazing on public land.

Mr. Speaker, this is the seventh government bill that I have had the privilege of sponsoring. Prior to tabling the legislation, I met with the Official Opposition critic, the Member for Edmonton-Ellerslie, to discuss and review the proposed amendments in Bill 49. At the conclusion of this meeting the Member for Edmonton-Ellerslie indicated to me that the opposition was in agreement with the amendments and that the process should go rather quickly. Therefore, it was with dismay that prior to second reading of Bill 49 the Liberals issued a press release stating that the government's Bill 49 could lead to Oka in the oil fields by increasing the conflict between oil field contractors and First Nations in Alberta's north. Innuendo in the press release raised concerns that Bill 49 could be an infringement on First Nations treaty rights. For some reason the Liberals seem to be under the impression that this legislation will in some strange way incite violence, that it will escalate disagreement between some aboriginal groups and contractors in northern Alberta.

Mr. Speaker, I said this in committee and it warrants repeating: this type of misrepresentation of the facts is not only misleading to Albertans but is also quite irresponsible. The intent of the legislation is to be able to deal respectfully and legally with unlawful activities on our public lands. It is not directed at any one group or individual.

We know that we have had conflict situations in the past. This act is intended to reduce conflict. I think that Albertans expect that government should take action on illegal activities in a safe and effective way.

Does this legislation mean that every time a blockade occurs, the police will be called? Not necessarily. As with all government legislation or processes discussion, negotiation, and reason will be the first line of action in dealing with any situation. This is only one tool in a toolbox to deal with any illegal activities on public land.

Furthermore, Mr. Speaker, unlawful activities on public land such as blockades and demanding fees for access have never been an issue for interpretation of the treaties. Treaties are not the issue here. There are other legitimate, sincere efforts to deal with the interpretation of treaties.

Mr. Speaker, over my lifetime I have established many personal friendships with aboriginal people. During my business career several hundred business transactions have occurred between myself and the aboriginal community. Therefore, I was very saddened to see and hear the remarks made by the Official Opposition in the past few days. Their record in concerns about aboriginal issues in the past has been dismal at best. Shame on them for twisting and turning the truth on the amendments in Bill 49. At the end of the day I will be able to look my First Nations friends in the eyes, but I doubt the opposition parties will be able to do so as I believe they used the aboriginal peoples to further their political cause and not truly to assist them.

Mr. Speaker, the actions of our Premier over the past few days on this issue have provided me with great joy. I'm very confident that when the Premier and the Minister of Aboriginal Affairs and Northern Development meet within the next few days with the treaty chiefs, a renewed commitment will be achieved between the First Nations and the government in developing a consultation process that will clearly provide the tools to resolve present and future concerns.

Thank you, Mr. Speaker.

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

**Dr. Taft:** Thank you, Mr. Speaker. This bill has, I guess, been an unexpectedly contentious one in this sitting of the Legislature. I listened to the comments from the Member for Bonnyville-Cold Lake, and I could tell the passion in his voice. I respect that, although I disagree with a number of his comments.

I'll open by explaining my understanding of the meeting he had with the Member for Edmonton-Ellerslie, our critic in this area. She did make it clear that her first reading of the bill did not raise any great concerns and that, in fact, her memory of the briefing is that it emphasized the issue of buffalo grazing on Crown lands but that on further study, when she took the bill back and had others look at it, there were different concerns that came to the surface, and as things have played out, those concerns weren't shared by the opposition alone. They were widely held. So different accounts of a meeting and perhaps, well, we'll never get past that difference.

I guess I also have to ask who is being irresponsible here. When the Member for Bonnyville-Cold Lake suggests that the opposition is being irresponsible, I would have to say that perhaps the government itself is being irresponsible here. We were meeting in the last couple of days with the chiefs of the Treaty 8 bands, and they told us repeatedly that they hadn't heard anything about this bill being developed until they read it in the media a few days after it had had first reading. So is that responsible consultation? Is that a responsible way to develop policy that affects so many people? Not in my books.



The chiefs of the Treaty 8 bands have felt overlooked and fundamentally betrayed in this process. I'm not saying that that was the intention of the government. I don't imagine that it was. I don't believe that it was. As the Premier himself said, I think it was yesterday – he apologized to them for legislation getting out ahead of consultation, so I'm not attributing or imputing motives to the government here. I'm simply saying that good, responsible consultation should have occurred before this bill was brought in. And, my goodness, the money was there for responsible consultation to take place. In the spring sitting earlier this year the minister of aboriginal affairs and the Minister of Sustainable Resource Development and, in fact, I think the Premier all spoke about a \$6 million fund being made available for consultation on the issues of access to roads and blockades of roads in the north and the whole conflict between the oil field contractors and the native bands.

Well, if we look at, say, five or six months having passed – let's say five months since then, 30 days a month, 150 days. If the consultations were going on every one of those days, we were spending \$40,000 a day, seven days a week for five months on the consultations. A staggering amount of money. Where has the money gone? The minister of aboriginal affairs is shaking her head. Perhaps tomorrow she can provide for us information. Where has the \$6 million gone?

I understand today that there was an additional \$2 million talked about to advance consultations with the Treaty 8 bands. These are large sums of money. Where is the money going? Who's getting this money? Is it being well spent? What's the accountability on this money? Where is the responsibility? Our job in part is to hold the government accountable. When we hear of \$6 million committees, we watch five months of work go on, the money's gone, apparently a report is prepared, it's not made public, the Treaty 8 chiefs, one of the key stakeholders in this, say they haven't seen it. We want some accountability, and we will back off when we see some explanation of what's happened to that money.

9:20

I also have to ask myself – and this has puzzled me from the beginning of the debates on this bill: what's wrong with the current laws? Why is it that we suddenly need to clarify laws on things like erecting barricades on roads leading to Crown lands? Why are we needing to clarify those laws? I would have thought that if a barricade were put up on one of these roads, it was already illegal. Certainly, if I were to go out and put up a barricade on one of these roads, I would assume that I'm breaking the law. Maybe I'm incorrect. Maybe there's been no law to address that, but that's tough for me to believe. So my question is: what is so wrong with the laws that have been in place to date that we suddenly need to clarify them and, in clarifying them, perhaps magnify them and make them more intrusive?

Particularly, there's a concern that's been brought up by a number of people that this could allow a police officer to deputize or delegate authority to somebody else to remove the barricade. We are concerned about that. There has been an explanation here about the need to hire a D9 bulldozer, for example, to take down a barricade. Again I ask the question: do those laws not already exist? Do those capacities not already exist? What is it about this particular bill that is absolutely so essential that cannot be done already?

Perhaps some of the misunderstandings, some of the strains and hard feelings around this bill would have been diminished if the report prepared through the summer by the consultant was made public. When information is held back from the public, when information is held back from key stakeholders such as the Treaty 8 chiefs, then suspicions are fueled. When there's a context of

suspicion and then a bill brought in like this one, we're going to get explosive arguments, we're going to get offended stakeholders, and we're going to get hard feelings, and instead of going forward constructively, we find we're going backwards.

So a lot of misunderstandings around Bill 49. I think from my perspective they result primarily from a fumbled process, a process that leaves a lot of questions unanswered. Where's the money? Where's the report? What's the direction here?

With those comments, Mr. Speaker, I guess it will be clear to members here that I for one will be opposing this bill. Thank you.

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

**Mr. Hancock:** Thank you, Mr. Speaker. I just wanted to rise and make a few comments on Bill 49 because it was clear from the comments made by the member opposite from Edmonton-Riverview that he still misunderstands the difference between Bill 49 and what's intended with Bill 49 and the \$6 million that's been talked about over the past year with respect to consultation. I thought the Minister of Aboriginal Affairs and Northern Development had explained it fairly clearly several times during the course of this session in question period, but it appears not to be the case, and I think it's a very important concept that needs to be understood.

We adopted as a government an aboriginal policy framework, and I take some pride in that because we started the process of that when I was minister of intergovernmental and aboriginal affairs. It's a very important document. It deals with a number of issues related to how this government deals with aboriginal governments on a government-to-government basis, recognizing that there are difficulties with that when aboriginal governments are not necessarily in place in the same way that we know and understand other governments in this country to be – understanding the concept and the ability to do that, talking about how this government ensures that aboriginal issues and First Nation issues are taken into account in every context when we deal with the people of this province and understanding the role that this government has played as a leader in this country in settling land claim negotiations, a better record than any other government in this country, recognizing the work that we've done with First Nations and aboriginal people on economic development and developing opportunity.

The essence of the aboriginal policy framework is a recognition that there needs to be consultation as you deal with issues relative to what has been referred to as traditional land use and traditional lands but recognizing that reserve lands, the lands reserved for Indians, as it's referred to in the Constitution of this country, are the First Nations land, held for them by the government of Canada. The traditional lands, so-called, are public lands owned by the people of Alberta for all the people of Alberta, but First Nations people, treaty people, have some rights to traditional use.

In engaging in development or engaging in any sort of opportunities within those areas, there is an obligation on government and on industry to consult. I like to frame it in the context of consulting: if you owned land in Edmonton and you wanted to develop it, you'd have to consult the neighbours. They didn't have an ownership interest in the land, but they did have some interests, and those interests have to be taken into account when you do a development. That's the type of consultation in a similar manner, a good neighbour policy, that you need to undertake when you're in parts of this province where there have been traditional uses on lands with respect to First Nations people.

So we developed the aboriginal policy framework, and now there need to be resources put into the aboriginal policy framework to make it effective. The \$6 million is the first tranche of that consulta-

tion process, developing the consultation process, making sure that it's a fair and effective process because in consultation with First Nations people it's not sufficient to send a registered letter and say that you're going to build a development. There has to be an appropriate consultation process that takes into account the people, where they are, and the nature of the consultation that's necessary: their needs, their aspirations, their goals.

We need to develop that consultation process in consultation itself with all the stakeholders to make sure it's going to be a fair and effective process and deal with all the issues. That's what's beginning to be financed by the \$6 million. It happened to coincide with one issue in northern Alberta relative to Slave Lake. The \$6 million was not budgeted and not put in to solve the Slave Lake area issue. It was put in there to start the process of building the capacity, both within government and in the community, to have a proper and appropriate consultation process.

So I just wanted to rise and be clear on that because the Member for Edmonton-Riverview obviously missed that explanation when the Minister of Aboriginal Affairs and Northern Development gave it. That \$6 million really has nothing to do with Bill 49. It has nothing to do with that local issue other than that if we had had that consultation process in place and developed, perhaps the issues under Bill 49 would never have happened.

**The Acting Speaker:** Standing Order 29 kicks in.

Seeing none, the hon. Member for Edmonton-Gold Bar.

**Mr. MacDonald:** Thank you very much, Mr. Speaker. I stand to urge all members of this Assembly to vote to reject this bill at third reading. Certainly, as we heard earlier from speakers in regard to this bill, the consultation process has been nonexistent or inadequate, to say the least. To blame this side of the House for legislative complacency or incompetency is totally wrong. Now, if money had been allocated for a process to consult with the Treaty 8 chiefs, then that's what that money should've been used for, or at least a portion of it. Where the money went, who knows, Mr. Speaker? But to simply blame this side of the House for bad legislation is wrong. The member may be quoting Winston Churchill, but I'm afraid he's acting like Anthony Eden.

There are a lot of different issues that we could discuss with Bill 49; however, I had the pleasure and the honour along with our caucus colleagues of receiving a visit in regard to this matter yesterday from the Treaty 8 chiefs. They, as my colleague from Edmonton-Riverview stated, did not feel in any way that there had been a consultation process. They heard about this bill in the media. How did that happen? To stand up and say that it's all the opposition's fault is, plain and simple, wrong.

9:30

Now, when we look at the First Nations community, we look at the communities in the north, we look at how oil and gas development is changing not only everyone else's lives but their lives, we have to remember that the First Nations people had not changed the physical shape of this province in which they lived long before we came here. To do that would have been unthinkable. They were hunters, and they were fishermen. They were herbalists, not agriculturalists. They were warriors in defence, sometimes, of the extensions to their own traditional grounds, their hunting territories. They had no concept of individual ownership of land. Their environment, the lands, the forest, the rivers, and the lakes around them were the domain of their Great Spirit. They considered all those lands and the animals and the people in them to be sacred. Their religion was a reflection of their temperament.

I would urge this government, in conclusion, that the best thing we can do now is to pull this bill. The Premier admitted in this House earlier in the week in question period that mistakes had been made. Have a consultation process with the Treaty 8 chiefs and see if this issue can be resolved in a better manner than what is being attempted here in a rather, in my view, ham-fisted way. Please pull this bill over the Christmas period. Before the winter session starts, have a good, robust conversation and negotiation with the Treaty 8 chiefs. Go back to the table because this bill, at this time, is wrong, and I cannot support it.

Thank you.

**The Acting Speaker:** Standing Order 29 kicks in.

Does anybody else wish to speak on the bill? The hon. Member for Bonnyville-Cold Lake to close debate.

**Mr. Ducharme:** Question.

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

[Several members rose calling for a division. The division bell was rung at 9:34 p.m.]

[Ten minutes having elapsed, the Assembly divided]

[Mr. Shariff in the chair]

For the motion:

Amery	Griffiths	Nelson
Boutilier	Hancock	Oberg
Cao	Hlady	O'Neill
Cenaiko	Hutton	Ouellette
Coutts	Jablonski	Pham
DeLong	Jacobs	Rathgeber
Doerksen	Knight	Renner
Ducharme	Kryczka	Smith
Dunford	Magnus	Snelgrove
Fritz	Marz	Taylor
Goudreau	Maskell	Yankowsky
Graham	McClellan	

Against the motion:

Blakeman	Mason	Taft
MacDonald		

Totals:	For – 35	Against – 4
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[Motion carried; Bill 49 read a third time]

### Bill 52

#### Health Professions Amendment Act, 2003

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

**Mr. Hancock:** Thank you, Mr. Speaker. It's my pleasure to move on behalf of the hon. Minister of Health and Wellness Bill 52, the Health Professions Amendment Act, 2003.

[Motion carried; Bill 52 read a third time]

### Bill 55

#### Farm Implement Amendment Act, 2003

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

**Mr. Marz:** Thank you, Mr. Speaker. I move third reading of Bill 55, the Farm Implement Amendment Act, 2003.

As I stated before, it will replace the current bond requirement needed for farm dealers and distributors to qualify for a licence and provide security for farm producers at an affordable price for distributors and dealers.

I'd also like to thank the opposition for their support on this very important bill.

Thank you.

[Motion carried; Bill 55 read a third time]

### **Bill 43 Post-secondary Learning Act**

[Debate adjourned December 3]

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

**Mr. MacDonald:** Thank you very much, Mr. Speaker. Certainly, there has been a lot said already about Bill 43, the Post-secondary Learning Act. There has been a flurry of amendments, but I cannot support this legislation. That's for certain. I feel very, very strongly that this is another act that is going to concentrate power where it doesn't belong, and that's with the provincial government. There is a perception that this is a government that decentralizes, gives power to the people.

9:50

**An Hon. Member:** To the people?

**Mr. MacDonald:** Exactly. But it is exactly the opposite. As the hon. Member for Edmonton-Highlands says: it's concentrating power in the hands of a few. When we consider what has gone on in this province over the last 10 years, this is another example of that. Now, you may not agree, and you can certainly participate in the debate, but we're also here when we remove tuition caps from legislation and leave it up to regulations.

We're also changing fundamentally our whole concept publicly of postsecondary education. It has been a tradition not only in this province but across the country, particularly since the Second World War, that we would make postsecondary education available to all those who, essentially, had the marks or the qualifications to get in. We have had a tremendous period of economic prosperity, and that, in my view, is a result of having affordable, accessible postsecondary education. Bill 43 is going to limit and it's going to restrict the accessibility and the affordability to many people of a postsecondary education.

I'm not going to go into any detail, but I will remind all hon. members of this Assembly of the republic of Ireland and how they have changed their economic fortunes and their demographic profile for the first time in centuries, where people are now moving to Ireland instead of away from Ireland because of the economic activity. The economic activity is occurring because they made postsecondary education as accessible as possible to all those who could qualify.

But what are we doing? We are allowing, through this bill, tuition fee increases, and the tuition fee increases are going to grow and grow to the point where only the very wealthy will be able to afford to send their children to our universities. I think that is wrong. Whenever we look at the history of this province and we look at the contribution not only of the University of Alberta but the University of Calgary and various other universities and colleges and technical institutes in the development of this province in the last 98 years, I

think we are going the wrong way with Bill 43. I think we're going the wrong way for a number of reasons.

When we require universities to submit regular business plans to the Minister of Learning, when we prohibit strikes, when we give the minister the right to order audits and dissolve students' associations as well as dissolve university boards of governors, when we talk about removing the 30 percent tuition fee cap from legislation and leaving it up to regulations, we are talking about limits, exemptions, to municipal zoning for universities, and recognizing some of the changes that have occurred as a result of the amendments that were discussed, but we are requiring postsecondary institutions also to get government permission before expropriating land.

There are a number of issues in this bill certainly, but it would be very difficult to support this bill and then read about a student who essentially, through no fault of their own, could not afford to go from, let's say, McNally high school next year to the University of Alberta, and that probably will occur. I'm just picking McNally high school as an example, but you cannot support a bill that is going to restrict and limit postsecondary education.

Is underfunding the problem for our universities? Should we fund them in a different way? Other jurisdictions do, but here we want to restrict and we want to limit who can get in, and once they get in, we want to also restrict what they can say. Well, with student governments, student associations, they could be in trouble if they say the wrong thing.

**Mr. Mason:** They could be dissolved like one of the school boards.

**Mr. MacDonald:** Well, hopefully, they wouldn't be dissolved like one of the school boards or like one of the regional health authority chief health officers, or maybe we could take a group of democratically elected officials like the regional health authorities and say that the people voted for you, but we don't want you. We want to have handpicked representatives who will essentially agree with our proposals.

Universities and students should be encouraged to stand up and speak their minds. John Kennedy once said, and I quote: a critical society is a free society. We should never, never, ever discourage students from standing up and speaking out. In a democracy that is essential, and students, in my view, should be encouraged to examine alternate views.

When you decide, well, we might have to audit this student association or we might have to dissolve this student association, what sort of message are we transmitting to those students and to their associations?

Now, I don't think that we should be interfering with student rights, and this has been discussed in previous stages of this legislation very thoroughly by not only the hon. Member for Edmonton-Riverview but the hon. Member for Edmonton-Mill Woods.

At this time in third reading I would urge all members to say no again to Bill 43 for the reasons that I have just discussed.

With those remarks, Mr. Speaker, I will cede the floor to another speaker. Thank you.

**The Acting Speaker:** Standing Order 29.

The hon. Member for St. Albert.

**Mrs. O'Neill:** To speak to the third reading of the bill, Mr. Speaker. I just wanted to say a couple of words with respect to Bill 43 this evening. I haven't had the opportunity as yet, and I'd like to take this moment to speak to the merits of it.

However, having said that, I do want to ask the question and put

it to everyone here, particularly in reference to the previous speaker's comments. I find it strange. Since when does examining the books limit students' ability to speak out freely? An incredible disconnect between those two points. So I needed to say that because I felt that the Member for Edmonton-Gold Bar has taken great liberties in going down a path of great irrelevance to this particular bill.

**10:00**

What I do want to say, too, is the fact that this is a consolidation into one act which governs postsecondary institutions in the province of Alberta. It speaks to governance responsibilities and to management practices that are, indeed, very necessary to have a consistency and to have the consolidation in one act with reference to the various institutions, how they are governed, how they are managed around this province.

It does speak also to sharing the responsibilities of governance with those who are not only members of the board of the respective institutions but those, indeed, who are members of the councils or organizations within those institutions. When I had the opportunity to sit on the board of governors of the University of Alberta several years ago, the chairman at the time assisted us in putting together our financial statements so that they were according to the generally accepted accounting practices in the business world. I can say that I felt that was a great opportunity and a great step forward to bring the accounting accountability or practices of the university in sync with how organizations of that magnitude and of those expenditures and revenues did report.

Why I bring that up is simply because I think that this act, indeed, takes it even a step further, enhances and consolidates those directives that we as a government feel are necessary in order to place in one act those principles, if you will, and practices that account for good governance.

There was consultation, as everybody knows, over the summer, this act having been introduced in the spring of this year. I believe that the consultation yielded some very good suggestions which are included in the amendments that were put forward by the minister with respect to this act. I think they took into account the comments that a number of stakeholders made, and I think they further enhanced the strength of this act.

I want to speak specifically to the establishment of a Campus Alberta quality council to, as the act reads, provide advice and recommendations to the minister. That speaks to the Campus Alberta quality council as different from that which would be an accreditation board or group. It is necessary and, I think, very helpful to those students who want to access our postsecondary institutions.

I'd also like to make a point. I don't believe that parents send their children to postsecondary institutions. I think young adults choose postsecondary institutions which they choose to attend. So, yes, there are many of us as parents who assist these young people in their choices, whether it be a technical institution, whether it be a college, or whether it be a university. However, I'd like to remind everybody that, yes, the young adult or the older adult for that matter who chooses to work towards a university degree also is making the best investment they can ever make in themselves and their futures, and that is by the role they play and how they participate in paying tuition.

For a government with public dollars who expends more than 50 percent of the cost of a student at one of our postsecondary institutions and what it costs for that student to be educated, I do indeed think we have a responsibility to put into one act, as it's here in this particular Bill 43, all of those rules of governance and, indeed,

management that will make for clear, accountable, and, I think, responsible reaction to what the public of this province expects.

So I would urge everybody to support this bill. Thank you.

**The Acting Speaker:** Standing Order 29.

**Mr. MacDonald:** A question, please, for the hon. Member for St. Albert.

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

**Mr. MacDonald:** Thank you, Mr. Speaker. Given that Bill 43 empowers the minister to order an audit of student association finances and dissolve the union if the minister is not satisfied with the results and given that student associations already comply with auditing requirements, does the hon. Member for St. Albert not consider that to be undemocratic and oppressive and that the provincial government should not be interfering with elected student governments?

**Mrs. O'Neill:** Mr. Speaker, in response to that, first of all, I don't find it undemocratic. I think that the students' unions would welcome the opportunity to open their books for such scrutiny should they be needed. [interjections] I'm sorry. I'm not getting the . . .

**The Acting Speaker:** The hon. Member for St. Albert has the floor.

**Mrs. O'Neill:** The point that I wish to make is that I believe that the students who are members of student unions are very responsible. I think that they do manage their finances very well, and there should be no problem, if they wish and as their current practice is, to allow others to look at and scrutinize their expenditures if the need arises, and I would assume that probably it won't.

Thank you.

**The Acting Speaker:** Hon. Member for Edmonton-Centre, are you rising to ask a question? Anybody else have a question?

Seeing none, the hon. Member for Edmonton-Centre.

**Ms Blakeman:** Thanks very much, Mr. Speaker, for the opportunity to speak to Bill 43 in third reading. Just given my scheduling I haven't been able to participate in a lot of this debate, so I'm glad I was afforded the opportunity to make some additional comments.

First off, I just wanted to respond to a comment that the Minister of Learning had made to me after my initial comments in second reading. I think he afforded himself the opportunity to question me directly after my debate and was asking if I had met with the board of governors for the various educational institutions in my riding, and when I indicated that my loyalty, my responsibility was to my constituents, many of whom were students – indeed, I had met with them – he appeared to dismiss that and put forward that if I hadn't spoken to the institutions, well, then what I had spoken to didn't count.

I found that a really interesting comment, because I would put to the minister that I have a duty to a number of different constituencies beyond just the board of governors for any given institution. I think we all have a duty for . . . [interjection] If the minister wishes to speak, the minister has the opportunity to get up and speak. It's his bill. He's got closing comments, and he can question me afterwards, so he doesn't need to heckle me in between.

I think we have a duty to the parents of people that are attending institutions. I think we have a duty to the students that live in our

riding. I think we have a duty to the general public overall for advanced education in our province. I think that included in that is a duty to the business community around advanced education and postsecondary institutions, including institutes of technology.

So for the minister to be somehow putting to me that in not speaking to the board of governors of the institutions in my riding I have, therefore, lost my moral right to speak out on this – I refute that. I think we have responsibilities not only as MLAs but wider responsibilities as legislators, especially around postsecondary education, to a number of constituencies. [interjection] I can see now that the Minister of Environment has awoken and is back to his usual heckling commentary, so this could be a much longer evening than we had anticipated. [interjections] His colleagues are advising him to return to his slumber, and that might be a good idea at this point.

**10:10**

I did want to make that point to the minister because I think that this debate should and in some cases did involve a lot more than just speaking to the board of governors, and I don't think that speaking to the board of governors should have been the be-all and end-all of any debate around this. Nor does a lack of speaking to them somehow remove an MLA's ability to speak on this issue. I wanted to come out and refute that point.

This is another one of the bills that we had brought forward as part of the 2003 government agenda which were very large, comprehensive bills that had a very far-reaching potential effect on Alberta society. The bills were, for the most part, introduced in the spring and left over the summer, and then we came back in the fall with large amendment packages. I'm thinking of three different bills now that came in with, you know, 20 or more pages amending 80 or a hundred different clauses in the bills. It's a challenge, I'll admit, for the opposition, with our more limited resources, to be able to go through huge amendment packages and scrutinize them and be able to spend the time that we would like to on them. That isn't always possible. I think there was some movement in what was being asked for, certainly, by the student groups, but let me go through the concerns that I raised in second reading to see how much got addressed or where, indeed, there was movement on various issues of concern.

We still have the removal of the 30 percent cap on tuition, and I think that that is of great concern. It's certainly of great concern to the students that have spoken to me, but I've also heard now from parents and grandparents and people on the street and people in the bank lineup with lots of heartfelt consideration about the importance of access to postsecondary education. My colleague from Edmonton-Gold Bar had raised the excellent example that we have before us of Ireland, where they decided to make education an investment rather than an expense, where they were looking to make that as accessible as possible and to move that by investing in education and taking a very wide-ranging and holistic attitude toward it, including bringing in the business community and other communities. They were able to leapfrog their entire country forward by decades in their world standing. That's an excellent example for us.

One of the arguments that I often hear used by the government is concern about passing on intergenerational debt. I have long used the example of student tuition, university tuition in particular, as an example of how, in fact, there was an almost instantaneous transfer of intergenerational debt through the policies of this government. In their zeal to cut back on programs, to set aside money – and frankly, with the oil and gas that was coming out of the soil under our feet, they've been able to sock money away to pay down the debt, the fear

being that they didn't wish to pass this debt on to the next generation.

Because of the choices that were made about budgeting and how we set this money aside from a surplus to pay down this debt, I would argue that we have policies like we see before us around university tuition, postsecondary tuition, which have in fact resulted in an immediate transfer and a new creation of debt. I mean, it just didn't happen. Nor would it have been commonplace or accepted that most students, a lot of students, would be coming out of postsecondary educational institutions with \$20,000, \$25,000 debts. I know that some of my constituents have talked to me about \$40,000 debts if they are in some of those faculties like law or medicine, which are more expensive. So I argue that the removal of the 30 percent cap on tuition in fact advances that transfer of intergenerational debt and accelerates it.

Fundamentally I just disagree with the choices that the government makes around tuition and accessibility for people, because with that goes that whole package of student finance and access to loans. That loan system that we have now assumes that if your parents have enough money, they're going to be willing to pay. Well, you know, as the Member for St. Albert pointed out, lots of times students choose to follow a particular course of study and they don't have the support of their parents, but given the student finance setup that we have right now, those students can't get a student finance loan. They've got to look for alternative sources of funding, and that can cause them additional debt load. So I think there are a number of problems around an attitude toward tuition and the expectations that we have around tuition. So I don't feel that this was resolved at all.

Another area that I spoke about was banning strikes in the universities and colleges. There has been some movement in this area. The amendments moved this bill towards a binding arbitration situation, not the ideal that I was hoping for. I still believe in a collective bargaining process and a respect for a collective bargaining process. I don't see that in what's before us. So that was some improvement but not as much improvement as I've been hoping for in that particular area.

The empowerment of the minister to order the audit of student association finances and dissolve the unions: there's been a softening here of the intrusiveness or requirements from the minister. You know, the student unions had always produced audits which were available, so I still view what's possible here as a control factor, as the setup for the minister to be able to use this legislation to bring the hammer down on student associations, to control them for whatever reasons, and I object to that.

These are student unions which are elected by their student bodies. I think they have to, need to work with the other communities in that larger university or postsecondary sector, but I disagree still with the control that's being exerted here and the potential of the threat that is implicit in that. There is a paternalistic viewpoint here or a need for control that I question. I don't find it a healthy relationship, but I do recognize that the minister did move on some of the restrictions there, and I give him credit for that.

I continue to have concerns with the overall concept of interference in academic pursuit and the independence, the free thinking of postsecondary institutions. I still believe that this bill will put a chill on academic freedom and independent thought. The requirement of the Learning minister to approve the business plans I think will have a direct or possibly an indirect chill on that sort of pushing forward that we expect to come out of our free-thinking institutions.

There were a couple of things that I had approved of originally, and they remain intact in the bill. I thank the minister for not bringing forward amendments that would have minimized the positive effect of that, and that is around the universities requiring

approval before expropriating land and giving city councils more say over how universities use their commercial property.

**10:20**

I have to say that I think one of the other unexpected results of this bill was an opportunity for students and, indeed, younger people to get involved in the process of the creation of legislation, to come to understand the relationship between ministers and cabinet and backbenchers. I know we have some faithful attendees from student groups that have come a number of times to watch from the galleries and, in fact, go back and forth between the public and the members' galleries. That was an unexpected but I think very positive development that came out of this bill and this proposed legislation. It did become a lightning rod for students to begin to develop an understanding of how this democratic process works and how they can influence it.

I'm very encouraged by that, and I hope that the students and their friends and families that got involved in this advocacy movement understand what a terrific job they did in both coming to understand the issues themselves, in educating their fellow students, their peers and families and friends on the issues and even a wider population beyond that. I think that's a very positive outcome of this. They did an excellent job, and I also think that to a certain extent they did it with great style and panache. Good on them. They need to understand that this is the beginning, not the end.

Thank you.

**The Acting Speaker:** Standing Order 29?

There being none, the hon. Member for Edmonton-Highlands.

**Mr. Mason:** Thank you very much, Mr. Speaker. I want to address this bill and put on the record some of my concerns with respect to the bill and the direction that we've seen of late. I want to start with tuition fees. When I was on city council a few years ago, we were invited to a lunch by the board of governors of the University of Alberta.

**Ms Blakeman:** Just a few?

**Mr. Mason:** It wasn't very long ago. It might seem like a lifetime ago, Mr. Speaker, but it was just a few years ago.

The council was invited by the board of governors of the University of Alberta to a luncheon in the beautiful Timms Centre. It was all catered, and it was quite lovely. There was some discussion, and we heard a presentation from the president of the university, Dr. Fraser, and they invited comments from the members of city council about issues at the university.

It was interesting. Some of my colleagues on city council who were rather of the conservative bent, I might say, and would make some hon. members here look downright liberal raised the issue of student debt and raised the issue of high tuition fees and the concerns that they were hearing in the community. Other councillors joined the refrain. It seemed to be the main theme.

So if municipal politicians are hearing it – and I know as a provincial politician now I'm hearing it, and I'm sure other members are hearing it – it's got to be a concern of the grass roots of this province. You know, it was interesting. Some of the public members on the board of governors are people who are appointed by the government itself, and they're not just from Edmonton, because it's a provincial institution. They're from places like Red Deer and Grande Prairie and so on. There was obviously a resonance, because they had some of these concerns themselves.

So the question is: why are tuition fees rising so quickly? Well,

the University of Alberta and other postsecondary institutions in this province have aspirations. They want to be the best postsecondary institution in their area, in their field, in the world in some cases. They would like to be able to do more things. They'd like to be bigger. They'd like to be better. They'd like to be more innovative. They'd like to attract the best people: the best researchers, the best teachers. They want to attract grant money for research in the case of universities, and they need money to do that, Mr. Speaker. The government has a policy, on the face of it, of supporting the quest of our postsecondary institutions for excellence.

I am convinced that most postsecondary boards, at least the public members, really are torn on this question of tuition fees because they know that it's turning out to be a lot of money, but they need the money from somewhere. They're not getting the money they need from the government, so they turn to the students. This is the door that's left ajar for them by the government, and it's been limited in the past only by a 30 percent rule.

I've never liked the 30-percent rule, quite frankly, Mr. Speaker, because I've always felt that in some ways it was a bit like the driver of the cart with the horse or the donkey who holds the carrot on a fishing pole out in front of the donkey so that the donkey is always moving towards the carrot, so the cart moves along. I've always felt that it's like the carrot on the stick for postsecondary institutions to always be pushing up the tuition fees a little bit towards that goal. As is usual here, no matter how bad things are, they can always get worse. So as some of the institutions have maybe got a little bit closer to that carrot, the government has decided to let them eat it, and they're going to take off this 30 percent cap.

So what does that mean? There are still some limitations. It's been replaced by some limitations. It's sort of a nod towards the concern that completely unregulated tuition fees will go the way as completely unregulated electricity, that we'll see a dramatic increase in price. I think the minister has given a nod in the direction of those people who have the concerns that increases to tuition could accelerate, and they'd have a real problem on their hands.

Mr. Speaker, I know that postsecondary institutions are full, and I know the government's fondness for market mechanisms to control supply and demand, but I really don't think it's suitable in the case of education. I guess I'd have to ask the question: if provinces poorer than our own can freeze tuition over a period of time, why can't we do it in Alberta? Well, the answer is: we can do it in Alberta. So the question then becomes: why do we choose not to? Why isn't keeping tuition at an affordable level a priority for the government? What are their other competing priorities that interfere with this objective?

Well, we know that the government has a very strong commitment to debt reduction and has been putting an enormous amount of money towards debt reduction. We know that the government wants to be a low-tax environment, and they have a four-year program to cut corporate taxes by a billion dollars. Now, the government argues that a tax cut for corporations will have beneficial effects on the economy. And I hear some thumping in the back corner, Mr. Speaker. Maybe it will; maybe it will. But I would submit to you, Mr. Speaker, that a far better investment for that money, if you want to produce economic growth and economic development, would be to invest it in our education system and specifically in postsecondary education and making that education accessible to everyone.

**10:30**

Economists who've looked at this would really make a serious argument that investing in education is a major impetus to economic development and growth. In fact, what it does is it allows Albertans of all walks of life to participate on a more equitable basis in the

economic growth of the province. It not only produces economic growth in and of itself; it equalizes the economic opportunity of Albertans, so it's a very good objective to have. I believe that tuition fees and student debt is a major disincentive towards people from this province being able to pursue a postsecondary education.

I note, Mr. Speaker, that in terms of our percentage of students that finish grade 12 – are we the lowest in the country? Very, very nearly, if not the lowest in the country. We are very near to the lowest, so I think this is a real issue for many Albertan families.

Many middle-class, working-class families in this province are faced with very hard decisions about whether or not to go into the workforce or to continue on with their schooling. I think that the evidence bears that out. So I am concerned that the 30 percent guideline, as bad as it is, has been replaced with something that will be even worse.

Secondly, I want to talk about the autonomy of student associations. Mr. Speaker, like some in this House I got my start in politics in university politics and worked as well for an organization of postsecondary students in the province. I was impressed with the ability of students to govern their own affairs and manage significant assets, manage political issues, and I think that as adults, as they are, they need to have some protection from interference by the government.

Normally, postsecondary institutions' administrations pay close attention to their student association or student union and have, in my view, sufficient powers now to make sure that things don't get off the rails, or if they do get off the rails, they have the power to get them back on the rails. When I say power, I'm talking about a variety of influences and not just the power to just put them in trusteeship or something of that nature.

There's no need to give additional power to the minister over student associations in this province. I don't know what the case for that is other than a desire to centralize power in the hands of the minister, and I think a highly centralized education system with excessive power in the hands of the minister is not in anyone's interest, Mr. Speaker. Yet that seems to be a trend.

The minister has recently taken some credit for the Edmonton public school board's accomplishments. I just want to draw people's memory back to the history of conflict that we've seen between this minister and that school board over the last year or so. There were floated thoughts of dissolving the board that appeared in certain accounts. There was an audit. When the school board disagreed with the minister, he sent in the auditors. I think, based upon what's happened over the last year or so, it's really a bit cheeky for this minister to take any credit at all for what the Edmonton public school system has done and the school system that it's built up because they've operated under difficult conditions with a hostile minister to continue to provide some of the best education in the country, if not the world.

Mr. Speaker, I think that we need a more inclusive, democratic model with more sources of authority than the minister. We need to have an education system, including a postsecondary education system, where autonomy is respected, where differences of view and freedom of speech are respected, where employees are allowed to speak their mind if they feel that there's something wrong, where unions – yes, even unions – are respected, and the constant attempts to centralize power and to stifle dissent in the education system in this province is, in my view, unacceptable.

I see certain provisions of this bill as furthering those trends, and so I'm afraid I'm going to have to not support the bill for that reason. I urge other members to reject this bill and go back to a consultative process so that we have a more broadly pluralistic and democratic

education system in the province than the one that's envisaged in this bill.

So, Mr. Speaker, I see my time is up.

**The Acting Speaker:** Hon. members, Standing Order 29.

Anybody else wish to speak on the bill? The hon. Minister of Learning to close debate.

**Dr. Oberg:** Thank you very much, Mr. Speaker. Thank you to everyone who has joined into the debate. There have been a lot of issues that have been raised. There have been a lot of issues that have been dealt with. It's just unfortunate that more people didn't actually read the bill before they talked to it. It would have been nice, but it's been a good debate. Let's have the vote.

[Motion carried; Bill 43 read a third time]

### Bill 53

#### Insurance Amendment Act, 2003 (No. 2)

**The Acting Speaker:** The hon. Member for Medicine Hat.

**Mr. Renner:** Thank you, Mr. Speaker. It's my pleasure to move Bill 53, the Insurance Amendment Act, 2003 (No. 2) for third reading.

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

**Mr. Mason:** Thank you, Mr. Speaker. I have an amendment which I would like to propose on third reading.

10:40

**The Acting Speaker:** Hon. member, in order for the amendment to be dealt with, I believe you need to provide your signature on it. For debate purposes we shall refer to this as amendment A1.

**Mr. Mason:** Thank you, Mr. Speaker. I appreciate that.

I'm not going to be long on this one, Mr. Speaker. The motion is that third reading of Bill 53, the Insurance Amendment Act, 2003, be amended by deleting all words after "that" and substituting the following: "Bill 53, Insurance Amendment Act, 2003, be not now read a third time because the bill discriminates against Alberta drivers based on geographic location."

Mr. Speaker, the government has done one thing in Bill 53 that is positive, and that is they have eliminated discrimination based on age and based on gender. They did that because the public would no longer accept that kind of thing. They have failed, and they have given many reasons, none of which I accept, by continuing discrimination based on geographical location. In my view, it could easily have been dealt with, as easily as eliminating discrimination based upon gender and age. I think that we ought not accept any bill that continues discrimination, in particular discrimination based against Edmonton.

**The Acting Speaker:** The hon. Government House Leader is rising on a point of order.

#### Point of Order Similar Amendments

**Mr. Hancock:** Yes, Mr. Speaker. In terms of the wording "the bill discriminates against Alberta drivers," is that all Alberta drivers? It doesn't make sense on the face of it.

Secondly, it appears to be a similar amendment to an amendment which was dealt with, I believe, in committee. With respect to the

question of geographic location, I believe an amendment was brought forward by Edmonton-Gold Bar.

**The Acting Speaker:** Hon. member, do you have a citation for the point of order?

**Mr. Hancock:** For starters, Mr. Speaker, 23(f), which “debates any previous vote of the Assembly unless it is that member’s intention to move that it be rescinded.”

**The Acting Speaker:** The hon. Member for Edmonton-Highlands on the point of order.

**Mr. Mason:** Thank you very much, Mr. Speaker. I would argue that there is a fundamental difference between an amendment to the bill, which would change the text of the bill, and a reasoned amendment, which basically says that the bill is not to be read because of a certain thing. They are entirely different motions. It would be my view that the hon. Government House Leader has no point of order at all.

**The Acting Speaker:** Hon. members, the point of order being raised deals with a matter that was dealt with at committee stage. We are currently in Assembly. As for the Standing Orders there is no contradiction. This amendment is in order.

The hon. Government House Leader.

#### Point of Order Reasoned Amendment

**Mr. Hancock:** Mr. Speaker, on a separate point of order, then, I would suggest that this amendment is out of order because as a reasoned amendment in *Erskine May, Parliamentary Practice*, page 505, “The amendment must not be concerned in detail with the provisions of the bill upon which it is moved, nor anticipate amendments thereto which may be moved in committee.” Of course, it is an amendment which could be moved in committee because it deals specifically with an amendment which was dealt with and rejected in committee. Therefore, it’s out of order as a reasoned amendment.

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

**Mr. Mason:** Thank you very much, Mr. Speaker. Nice try, to the Government House Leader, but it does not anticipate something that would be done in committee. Since it comes after committee, how can it anticipate something that has already passed?

**The Acting Speaker:** Hon. leader, what page were you referring to in *Erskine May*? Page 505? Okay. Hon. members, the chair has been advised that as per the rules that we apply in this Legislature, the amendment is in order, so we shall proceed with it.

#### Debate Continued

**Mr. Mason:** Mr. Speaker, well, you know, why is the Government House Leader so desperate to prevent this motion from being put? Why? Well, you know, we might ask the hon. members for Edmonton-Glenora or Edmonton-Beverly-Clareview or St. Albert or Edmonton-Calder, Edmonton-Meadowlark, Edmonton-Mill Creek, all representing Edmonton or the Edmonton area. I know they’re here tonight, and I know that they’ll want to get up and stand with the opposition on this motion and stand up and defend Edmonton and protect Edmonton from being singled out for discrimination by this government in the bill.

So, Mr. Speaker, I just want to indicate that there’s a lot that’s bad about this bill, but the one thing that I think is unconscionable is to permit the discrimination on insurance rates against Edmonton and the Edmonton area. You know, the government has done a good thing. I’m willing to give it credit. They got rid of discrimination on the basis of age, they got rid of discrimination on the basis of gender, and they’ve said that the insurance industry could no longer do that. But they’re going to take three years to phase out discrimination against Edmonton. Well, it’s unacceptable. As an Edmonton MLA I have to take a stand against this, and I urge all colleagues from Edmonton and region to take a similar stand against this and send this bill back to the government so that it can be produced in an equitable and fair fashion for all people of Alberta, including the people of the capital region.

Thank you, Mr. Speaker.

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

**Mr. Hancock:** Thank you, Mr. Speaker. I’d like to speak against this amendment, and I’d like to speak against this amendment on two points. First of all, the amendment doesn’t refer at all to discrimination against Edmonton drivers. It talks about discrimination against Alberta drivers. I presume that means that because of his socialist philosophy he would like us to have the regime that they have in Saskatchewan.

But there’s a more important and pressing reason why we should not vote in favour of this amendment. First of all, it is, in effect, an amendment to say that the insurance bill that’s before the House should not be passed. That would be a way of eliminating the whole area that we’ve engaged in with respect to removing the discrimination by age, gender, and marital status, which, the member has already indicated, are very important discriminations to eliminate. It will also result in Albertans having to be at the beck and call of the insurance companies with respect to increasing rates if they decide to do so, because we won’t have in place the mechanisms necessary to freeze the rates, and we won’t have in place the mechanisms necessary to put in place a fair rate structure, which is necessary to eliminate the age, sex, and marital status discrimination.

10:50

Now, the question of geographic discrimination is very important, and it’s a question that members from Edmonton have raised in caucus and raised in discussions on this bill and that other members from the surrounding area have raised, in fact that members of caucus have taken into account in discussion. First of all, there was not a clear understanding, I think, in the public and even with this member and maybe others that there was geographic discrimination in the first place, so that came as a bit of an interesting piece of information. But knowing that, then the question was: if we’re eliminating discrimination in this bill, why would we not eliminate all types of discrimination in the bill? A very good question and a very laudable goal.

Why can’t we do it now? One of the goals and the primary goal of the legislation is to keep insurance rates for good drivers in Alberta that have the best rates at least at their present level if not lowering them. It’s a very difficult thing to do, as the hon. member well knows, given that there are lots of rates for those drivers, young drivers and older drivers, whose rates are very, very high. To bring them down to the standard rates, that’s a very, very difficult thing to achieve in and of itself, but under the guidance of the Member for Medicine Hat we’ve come up with a plan that seems to be able to do that. A very difficult task. The member has dedicated a lot of time and effort and worked with the stakeholders to achieve that.



So the question then, Mr. Speaker, is: should we throw that whole process out because it's, again, even more difficult to achieve the laudable goal of removing geographic discrimination at the same time? The answer to that is clearly no. The answer to that is that we should make the progress that we can make now, and we should work diligently on further progress to eliminate that one further factor. That, in fact, is what government has agreed to do, and that in fact is what the hon. Member for Medicine Hat has indicated in this House, that over the next three years, even more quickly, I would suggest, if it can be found possible to do, we would remove that geographic discrimination. How can we do that? We can do that by improving our traffic safety across the province and particularly in Edmonton, where there appear to be more accidents and more damage payments than in other parts of the province, which is why the higher rates are there in the first place. So we can improve our traffic safety, and if we do that, that means that consumers will save because the payout pool will go down. When the payout pool goes down, under this very important insurance reform the rates for consumers will go down.

So that's a very important reason to have this bill now: so that we can take out the discriminations which are extant at the current time for age, sex, and marital status, and we can have the opportunity to work diligently to remove the geographic discrimination which, quite frankly, most people didn't know existed. Now that they know it exists, we ought to try and remove it. We can remove that by improving our traffic safety record, by lowering the damage payout pool. We can improve it through the mechanisms which have been proposed to reduce damage payments and adjusting costs by improving the process under which those are determined. We can do that over the next two to three years, sooner if possible, so that there are equitable rates across the province based on driver experience rather than based on the category of person or the geography of area that you live in.

So it's important to defeat this amendment because it's political grandstanding by the hon. Member for Edmonton-Highlands trying to show that he's standing up for Edmonton, whereas by passing this amendment, he will actually be putting drivers in Edmonton and drivers right across this province at peril.

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

**Ms Blakeman:** Thank you very much, Mr. Speaker. Given the sudden vigour of this debate, I'm wondering if under citation 32(2.1) I could request unanimous consent to waive suborder 2 to shorten 10-minute intervals between any division bells that may be called on this particular vote. Could we shorten that to one minute?

[Unanimous consent granted]

**Mr. MacDonald:** It doesn't matter, Mr. Speaker, whether we're talking about insurance or electricity deregulation in this province; an accident is an accident.

In light of the hour and the fact that the Conservative Cinderellas have to be home by midnight, I will keep my remarks short. I would urge all members in this Assembly to support the amendment proposed by the hon. Member for Edmonton-Highlands. When we look at the Alberta Finance presentation from October 15, 2003, this is sort of the draft of Bill 53. Now, I don't know if this is still on the government web site or not. I know the rate calculator isn't, for obvious reasons. Whenever one looks at this, Mr. Speaker, and one looks at the amendment, the amendment urges that Bill 53 "be not now read a third time because the bill discriminates against Alberta drivers based on geographic location." That location at this time is Edmonton.

Now, we look at the different classes of drivers that are referred to, vehicle use classes that are referred to in the KPMG study, the actuarial study that a lot of this legislation is based on. Drivers have paid for the actuarial study, but they have yet to see it. You've got class 1: pleasure use, short annual mileage. You've got class 2: pleasure use, long annual mileage. You've got class 3: driving to and from work or school. Class 4: driving to and from work or school. There's a distance here separating classes 3 and 4 if you use your vehicles less than 16 kilometres or more than 16 kilometres in a daily trip. Now, also, class 5 for business purposes and class 6, farm use, vehicle of a farmer used for pleasure.

If you carry on here – and this is where it gets interesting, Mr. Speaker – the benchmark premium rate. Is there discrimination against Edmonton drivers? Well, we look at the first class in Calgary – and this is for third-party liability – \$200,000. In Calgary the premium rate is \$1,345. In Edmonton it is \$1,586. In the north it's \$1,003 for the same class.

Now, the second class of driver. If the second class of driver, for instance, was to have third-party liability of half a million dollars, in Calgary that would be \$1,622. In Edmonton it would be close to \$300 more, \$1,900.

We can go to the third class, and we can say, Mr. Speaker: let's have a million dollars' worth of third-party liability. In Calgary that would cost someone in the third class \$1,800, and in Edmonton it would cost \$325 more. Now, in the remainder of the province that insurance, let's say in Lloydminster or Vermilion, would cost \$1,471.

So why are Edmonton drivers according to this actuarial table, that was the flagship of this bill, forced to pay more? They certainly are if you look at these tables, and I would encourage all hon. members to have a look at this. This city and its drivers are being discriminated against by this legislation for no apparent reason. If the roads are unsafe, if the drivers are motoring in a dangerous fashion, show us. Prove it to us – prove it to us – because you won't release your own statistics. This is another chance. This is another chance. You had two chances in this Assembly, all hon. members, to roll back the third-party liability portion of automobile insurance premiums by 15 percent and save a considerable amount of money. A hundred and fifty million dollars could be returned to motorists. But two times – two times – you said no to rollbacks. So this amendment gives you a third chance.

11:00

Last night after midnight – and I don't think there was a curfew – there were very few members who were recorded in the vote. Now, what we need to do is reconsider, Mr. Speaker, take the amendment as proposed by the Member for Edmonton-Highlands. Do the right thing and vote to end this geographic discrimination against the drivers of the city of Edmonton.

Thank you.

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

**Mr. Hutton:** Thank you, Mr. Speaker. I have just listened to the hon. members for Edmonton-Highlands and for Edmonton-Gold Bar, and I want to encourage the members of this Assembly to vote down this amendment.

When I first was presented with the hon. Member for Medicine Hat's proposal, I was stunned, as was the Government House Leader, were discrepant numbers with regard to geographic charges, that we in Edmonton are bad drivers. We asked the hon. member to go back and see if he could find a compromise, and he did that with the Department of Justice, with the Finance department, with the

Minister of Transportation's department, with the Government Services minister and brought this back. It is a lot of work that went into this. I commend the hon. member for doing that because we want to have young drivers out on the streets working jobs in this city as soon as possible at a lower rate. That was the motivation behind the legislation that we're bringing forward here. A lot of these young drivers who have no record are coming into the workplace and can't even be hired because it would be too prohibitive.

This is striking a balance. We always talk about that as legislators, that we have to strike a balance. When we raised this, taking three years to level the playing field I think is reasonable and commendable for this member. As a representative of Edmonton, again, I was surprised that we're such lousy drivers. I am glad that the Minister of Transportation has gotten involved in looking at prevention so that perhaps we'll become better drivers and we won't need actuaries to come back and tell us that we're costing the system too much money.

So I just want to reaffirm what the Government House Leader has said. This is grandstanding by the hon. Member for Edmonton-Highlands. He wants to say that he is standing up for Edmonton and we are not, and I believe we are. We're standing up for young males and unmarried individuals in Edmonton, and I think that's commendable.

Thank you, Mr. Speaker.

**The Acting Speaker:** Hon. Member for Edmonton-Highlands, you've already spoken.

**Mr. Mason:** Can I close, Mr. Speaker?

**The Acting Speaker:** No. Not on the amendment.

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

[Several members rose calling for a division. The division bell was rung at 11:05 p.m.]

[One minute having elapsed, the Assembly divided]

[Mr. Shariff in the chair]

For the motion:

Blakeman	Mason	Taft
MacDonald		

Against the motion:

Amery	Griffiths	Maskell
Boutilier	Hancock	McClellan
Calahasen	Hlady	Nelson
Cao	Horner	Oberg
Coutts	Hutton	O'Neill
DeLong	Jablonski	Pham
Doerksen	Jacobs	Renner
Ducharme	Knight	Smith
Dunford	Kryczka	Taylor
Fritz	Magnus	Yankowsky
Goudreau	Marz	Zwozdesky
Graham		

Totals:	For – 4	Against – 34
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[Motion on amendment to third reading of Bill 53 lost]

11:10

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

**Mr. Zwozdesky:** Thank you, Mr. Speaker. I rise to join in this exciting debate on Bill 53, the Insurance Amendment Act, 2003 (No. 2), at third reading and just to make a few comments from my perspective and to reflect some of the views some of the constituents in my area have also enunciated, all within the parameters of the particular stage that we're at.

Before I do that, I want to sincerely thank and congratulate the hon. Member for Medicine Hat for an enormous amount of work that I know he personally put into this. A great deal of study has gone into this. I know he's looked at every aspect imaginable, taught many members on both sides of the House, I suspect, a lot more than we ever cared to know about automobile insurance and so on. He's looked at other jurisdictions, done some comparable rate shopping, I'm sure, and had the good support and a lot of good effort also from the Provincial Treasurer, who's ultimately responsible for this. I just wanted to go on the record saying thank you for the enormous amount of work that they have done leading up to this.

Just to review a couple of issues, Mr. Speaker. The issue of having unacceptable increases coming at us as they were in the spring was quickly recognized by the government. It was time to do something about that. In fact, that's what Bill 53 will do. We know that there were claims made by individuals about not only skyrocketing rates and premiums but also about rather lavish profits having been made within the insurance industry. Now, profit in itself is not a bad word, but there has to be a balance there when you're providing a service, of course, that is absolutely required and essential. In fact, automobile insurance is a requirement for everybody who is an Alberta driver, and you're required to carry – what is it? – at least \$200,000 of liability coverage. So in this case a review was prompted, and I think we've come up with some solutions. Granted, it will take a little bit of time still to bring all of the good work of Bill 53 into effect, but I am confident that it will be done.

Secondly, Mr. Speaker, once the bill is passed and the particular proclamation has been received and the regulations are finalized and developed and so on, we will also see the impact in full of many things such as the insurance rate freeze that has been talked about, and that is a very good thing.

I am also encouraged that there are some incentives built into this particular bill, Mr. Speaker, which have been the subject of much debate here, and I'm also encouraged by the so-called discrepancies or discriminations that have been addressed. Other members have already indicated that discriminations will be eliminated with respect to age, gender, marital status, and so on. So, too, will this issue of so-called discrepancy or geographic discrepancy regarding premiums or billings be eliminated, although it will take a little longer than we all would like to do.

Nonetheless, it is important to recognize that this is an extremely complex issue and that it is the insurance companies and their brokers who are providing this service. As part of the relationships that we all have with those companies and brokers, it's important to take the due diligence required to make sure that we get it done right.

I have to say that I want to really emphasize that I would venture to say 95, maybe 99 percent of Albertans didn't even know that discrepancy existed on a geographic basis. One of the good works done by the Member for Medicine Hat was to flush that out, and I congratulate him for doing that. We will now fix that problem which we were not acutely aware of.

The other parts of this bill that address damages for suffering, be they medical or dental or rehabilitative in nature or whether they

affect income continuance or hospitalization or so on, they will be addressed very satisfactorily. In fact, I was interested to note that the accident benefits for medical and rehab costs will in fact be increased from \$10,000 to \$50,000. We will be eliminating so-called double recovery of compensation. Claims for lost income will be based on net wages. Insurers will be required to provide coverage to all drivers. Premiums will be varied throughout the province and then differences will be eliminated between Calgary and Edmonton, as I've referenced earlier. There are many other good benefits to this which, for the record, need to be noted.

One other important aspect of all this is the consumer protection side. Mr. Speaker, page 6 of the bill, section 7, which amends the bigger section 627, clarifies consumers' interests with respect to increasing limits of coverage. In fact, consumer protection overall is addressed. There are a couple of things that I just want to specifically highlight here. Again, based on phone calls I've received, some concerns were referenced with respect to this. For example, in the case of disputes over whether an injury should be considered serious or not, an independent medical assessment would provide nonbinding decisions. Furthermore, binding decisions would be pursued through the courts. Finally, consumers with other concerns about their insurance companies' practices can, of course, contact the Alberta Insurance Council. Those are just a few examples of some additional consumer protection that is built in.

The issues of a medical nature such as proper and prompt diagnosis being provided for injured victims – that issue has been raised to my attention, and it will be abundantly addressed through this act and through the accompanying regulations.

Then comes the favourite section, I'm sure, to some members, and that is that issue dealing with minor injuries, Mr. Speaker. I know that regulations will be forthcoming, and I'm particularly interested in the definitions that are being developed because they are being developed by a very thorough process led by the past registrar of the Alberta College of Physicians and Surgeons, who, I think, is well known to members of this Assembly and who, in my opinion, is a very credible individual. But he's not doing this alone. He's leading a consultation that will include – and this is a key part – representatives of injured people, representatives of insurers, the legal community, health care providers, and so on. So it will be a very thorough panel that comes up with these particular definitions and the cap issue that has been referenced.

I do note, and I have said before, that it's not for me to determine what the level of the cap is, but suffice it to say that great discussion has already occurred over many, many weeks, I'm sure, in determining something that is palatable. I'm not personally a particular fan of caps as such, but I understand the reason and the rationale behind them. If in the end, Mr. Speaker, we're able to save \$250 million because the whole package has come in, it would be difficult to separate or extract one of the key components, and that is the cap issue, which has to be restricted to minor injuries as will be clearly and specifically defined by medical and other experts who understand those matters extremely well. So I understand the rationale for that.

Furthermore, I note with some interest a section here that hasn't been referenced a whole lot, to my recollection anyway. It's on page 11, Mr. Speaker, and it deals with

establishing and governing a system or process under which a person or a committee, panel or other body may review any injury to a person and give an opinion as to whether or not the injury is a minor injury.

That will be sufficiently addressed, as I've just indicated.

Just to move on and start to wrap up here, Mr. Speaker, one other important aspect is on page 13. That talks about establishing the

automobile insurance rate board. The powers and the duties of that board are something I'll just refer readers of *Hansard* and people interested in the bill to have a look at because it's very specific about some improvements that need to be made and will be made. Under the premiums for basic coverage, where this particular board will have the power to determine and set premiums for basic coverage, that will be done on an annual basis. I think this is a very laudable provision.

Secondly, there are also prohibitions, which I won't get into right now, but they're adequately addressed.

The issue of having a dispute resolution mechanism is another issue that has been brought to my attention by several individuals. They were asking, Mr. Speaker, how it is that through this bill complaints might be resolved. Well, there it is. It's all spelled out on page 24 of Bill 53. It will be, of course, on a different page once the final bill is printed, I suspect. Premiums or the basis on which premiums were determined or the availability of insurance and how it's provided and so on will all be clarified, and that is a very good thing.

**11:20**

So let me conclude by simply saying: what is it that Albertans want through all of this review? My impressions based on phone calls and based on listening to debate in the House and coverage and studies and everything else that I've reviewed is that, first of all, Albertans want choice in insurance, they want variety, they want availability, they want affordability, they want predictability, and they certainly want something that is stable. This complete, thorough review, this bill, and the subsequent regulations, in my view, will provide all of that. Those particular objectives, Mr. Speaker, are in fact hallmarks of this government. Providing consumers with choice and variety where we are able to or where we need to, providing affordability, stability, predictability, and so on, are all well documented, and this province has received numerous accolades, as has our Premier, for that particular leadership.

What Albertans do not want is a system that without this bill would have continued to see these rates and premiums skyrocketing the way that they were. Nobody wants to pay increased premiums for being good drivers. This particular bill provides incentives for people to not only be good drivers but to become good and better drivers, and I'm satisfied that this particular bill will help provide all those mechanisms that are necessary to accomplish the objectives that I just enunciated.

So, Mr. Speaker, with that, and before I lose my audience tonight, I will stop there and simply say thank you to the people involved with this. I ask for all members to support this particular bill so that we can get on with more affordable rates and better insurance coverage overall and the incentives that we need. Let's get rid of the discriminations that exist. Let's make sure we do it right. We'll develop the regulations and make sure that it does get done correctly.

Thank you, Mr. Speaker. I'm happy to support this bill at this stage.

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

**Mr. MacDonald:** Thank you very much, Mr. Speaker. It's a good opportunity to further the limited public discussion on Bill 53 at this time in third reading. Certainly, I appreciate the hon. Minister of Community Development's participation in the debate here this evening, but I'm afraid this bill is only going to give Alberta consumers two choices as a result: high and even higher automobile insurance prices.

Now, the hon. minister also talked about cost savings to the

consumer. Well, this is really cost savings to the industry because the industry has been lobbying and lobbying constantly for this. Certainly, there are claims that there will be cost reductions. There will be over \$200 million taken from accident victims as a result of a limit on general damages for less serious injuries. We're passing this bill, and we still don't know what the definition of less serious injuries is. We're going to leave that up to the regulatory process. I don't have the confidence in this that the member opposite has.

We are talking about increasing the accident benefit coverage from \$10,000 to \$50,000. In B.C. it is \$150,000. I could stand corrected, but we'll just have a quick look here. It is \$150,000 in B.C. Now, what I'm afraid is going to happen and what has been articulated in studies done by the insurance industry themselves about some of the proposed reforms that have occurred in other provinces is that there will just be a financial shift. When we reduce claims or limit general damages for less serious injuries, there will be just a shift to the money that's available through the accident benefit coverage. I don't know what studies have been done by the hon. Member for Medicine Hat in regard to this, but that is a concern that I have.

Now, certainly we all know that the insurance industry has returned to profitability. If we look at the assets that have been squirreled away in the last five years by the industry across the country, according to Stats Canada, it is a significant increase. Net profits may be down, but the assets of the industry certainly have increased.

In my consultations in the province in regard to this automobile insurance crisis, the skyrocketing premiums, I had the pleasure of meeting a gentleman from Olds, a gentleman by the name of C. Kenneth McIver, who has written a book titled *Winning the Claims Game!*, the inside goods on insurance claims practices in Canada. He finished this book in 1999. I think it should be in the Legislature Library, and I'm going to make every effort to ensure that it's there. If any of the hon. members would like to borrow my copy after this debate, I would welcome anyone, and I will loan it out.

**An Hon. Member:** That's a socialist idea, lending your books. Why don't you sell it to me?

**Mr. MacDonald:** No. I would lend this book; I would not dare sell it because it was given to me by Mr. McIver, and I was grateful to receive it. [interjection] No, no.

**An Hon. Member:** Table it.

**Mr. MacDonald:** Table the book? Well, the book is an example of the author's extensive knowledge in insurance matters in this province, and in 1994 it would have been a benefit, certainly now, to drivers of this province if this gentleman had been part of the consultation process that was drafting the new Insurance Act. As far as I know, he wasn't, and as far as I know, he wasn't consulted in regard to Bill 53. I feel very strongly that Mr. McIver should have been.

When we look at what has been the lead-up to Bill 53 and we look at some of the correspondence going back a couple of years which I received through freedom of information, FOIP, this is correspondence between the hon. Minister of Finance and Mr. Jim Rivait, the Insurance Bureau of Canada's lobbyist. This is a letter dated June 25, 2001. This was written before 9-11. This letter refers to the increasing cost pressures for insurance across the province. It goes on to say that the Insurance Bureau of Canada is preparing a package that clearly defines the issues along with a process for resolving these issues, and it will be submitted to the minister. Now, I don't know what that proposal would be, but I would suspect that Bill 53 is a general reflection of those definitions.

Later on in the same year, in October, the Minister of Finance got one letter from Mr. Rivait, who is writing and is concerned about the escalating health care costs in the province of Alberta. We never did get an opportunity – and that's why we needed more public consultation on this debate – to find out exactly what these costs are. There is fundamental change to how we deliver health care in this province by this government. They are more interested in promoting private health care than protecting public health care, and as a result of that . . .

**Mr. Mason:** Point of order, Mr. Speaker.

11:30

**The Acting Speaker:** Hon. Member for Edmonton-Highlands, are you rising on a point of order?

**Point of Order  
Decorum**

**Mr. Mason:** We are not in committee.

**The Acting Speaker:** Well, that's not necessarily a point of order, but, yes, this is Assembly, and members are supposed to be seated in their own seats and not be moving into anybody else's seat. A good point to be raised.

Hon. Member for Edmonton-Gold Bar, you may proceed.

#### Debate Continued

**Mr. MacDonald:** Thank you very much, Mr. Speaker. Now, the Insurance Bureau of Canada made a submission to the Commission on the Future of Health Care in Canada in September of 2001, and this document is entitled *Restoring Confidence*. They say that rehabilitation in Canada today exhibits some of the most serious examples of poor systems performance, fragmentation, lack of service standards, and quality control. They are talking about health care rehabilitation costs. This is a very important issue that has not been addressed with this legislation. How much exactly is it costing us to rehabilitate accident victims, and what part of our increased claims costs are going to private health providers? Someone knows somewhere, and they won't say. They want to blame others.

Now, this report goes on to say, and I quote: unfortunately for rehabilitation services, which is the area of health care where insurers have most experience, there is currently no guarantee that this expectation will be met; the inability of Canada's rehabilitation sector to perform at the high level of outcome standards, operational efficiency, and accountability expected of other parts of the health system is a source of very significant costs. End of quote. Do we have the time to discuss the fact that motor vehicle incidents were the second largest source, 15 percent, of hospitalizations from injuries?

In the case of individuals injured by automobiles, Mr. Speaker, insurance companies estimate that between 80 and 90 percent of medical claims relate to soft tissue injuries where treatment may be provided by a physician and/or other regulated or nonregulated health service providers. Now, we're going to allow by regulation a definition of, essentially, soft tissue injuries.

It's also interesting, Mr. Speaker, to note that in the case of injuries from motor vehicles 42 percent of hospital admissions involve individuals aged 15 to 35, while another 34 percent are people between 35 and 64 years old. Now, there are many reasons for us to worry that this issue has not been addressed in the process that has resulted in this bill.

In conclusion on this matter, Mr. Speaker, I would like to point out that in 1991 expenditures on medical rehabilitation services for

Canadian private automobile insurers in millions of dollars – and I would like to have the breakdown for Alberta – was roughly \$370 million, and that skyrocketed to well over a billion dollars in the year 2000. These are IBC statistics, and I think they're very important, and they're very compelling. We're not getting from this government their statistics on the costs of rehabilitation for accident victims. Someone somewhere knows, and we're certainly not getting it from the insurance industry. I think that it's wrong.

Now, Mr. Speaker, in regard to those concerns, I have at this time for the Assembly's consideration an amendment, please. If I could have them distribute it to all the members, I would be grateful.

**The Acting Speaker:** Hon. members, we have a recommittal motion. The hon. Member for Edmonton-Gold Bar.

**Mr. MacDonald:** Thank you very much, Mr. Speaker. At this time I would like to move an amendment to the motion for third reading of Bill 53. I move that the motion for third reading be amended by striking out all the words after "that" and substituting the following: "Bill 53, the Insurance Amendment Act, 2003 (No.2), be not now read a third time but that it be recommitted to Committee of the Whole for the purpose of reconsidering sections 6 and 13."

Now, Mr. Speaker, this amendment would bring the sections of the bill dealing with minor injuries as well as the section regarding the reduction of automobile accident claim awards back into the Committee of the Whole.

Thank you.

**The Acting Speaker:** On the amendment, the hon. Member for Edmonton-Highlands.

**Mr. Mason:** Thank you very much, Mr. Speaker. I'm pleased to speak to this amendment because I believe that it's very important that we send this back to committee, because there are certain deficiencies in the bill and certain deficiencies in how the whole thing has been approached.

For example, section 6, which talks about reductions in claim awards, does not really deal with the most important question, which is to make sure that rates are as low as possible.

I want to go on to section 13, which is minor injuries, and here we have the source of most of the public conflict over this particular bill. We saw and I see again today, Mr. Speaker, on the front page of one of the daily newspapers a little ad across the bottom that's a stretched green dollar bill talking about the \$1.1 billion of insurance industry profits in Alberta this year. Of course, this ad is taken out by an organization that purports to be victims of traffic injuries and so on. However, I believe and I think I'm on solid ground in believing that this organization is actually a front for the injury lawyers. I know this may shock some members of this Assembly, but I certainly think that that's what it is.

11:40

So we've seen a battle here because the government, having not gone down the road of public auto insurance, which they ought to have done, is desperate to find some savings in insurance that they can pass on to consumers, but what they're doing is limiting the product that you receive for that price. So, Mr. Speaker, it's a bit like telling people who have been driving a Volvo, for example, for some time that you're going to sell them a car a lot cheaper, and then when they take delivery of their new car and they see that it's a couple of thousand dollars cheaper, they also realize that it's a subcompact car, say a little Chev or something like that. So there's a savings, but the savings is realized by reducing the product. You

get less product for less money, so you don't really get the same thing for less. So that's one of the reasons why we've called this a shell game.

They're putting limitations on claims for minor injuries. We don't know what the limits are actually going to be because, as usual, we have an enormous section in this bill which we see in almost every bill of substance that comes from this government these days, and it always starts with the same words: "The Lieutenant Governor in Council may make regulations." How many times have we seen that? These are sometimes the longest and most substantive sections in the government's legislation, and this is not the only bill where we've seen this.

So what the government has done is asked us to delegate our legislative authority to the cabinet, and the cabinet essentially makes legislation because the Assembly is too weak to stand up to the government and tell them that we need to protect our constitutional rights and set the legislation of this province. So, of course, the Legislature itself becomes increasingly anemic and irrelevant, and the government concentrates more power in its own hands. There are some problems with that, Mr. Speaker, because, quite frankly, here the debate takes place in public. Here opposition members can participate in the debate. Here citizens that voted for someone other than the governing party have a voice, but of course in the cabinet none of those things happen. So this is a very, very deficient piece of legislation.

You know, much has been made tonight about the hon. Member for Medicine Hat's hard work with respect to this. I agree that he's worked hard on this bill, but it seems that many of the issues remain to be settled and will be settled by the cabinet, and I think that that's potentially a deficiency in the bill and may lead to decisions being made of a political expedient nature and not the thoroughgoing reform which some have suggested that the government is undertaking.

So having said that, Mr. Speaker, I want to indicate that I will indeed be supporting the amendment of the hon. Member for Edmonton-Gold Bar, and I believe that it would be beneficial not just for the rights of the Assembly but also in the interests of the public if we did recommit the bill to Committee of the Whole so that sections 6 and 13 could be reconsidered. I'm sure that there will be time in everyone's busy schedule in the next week to proceed with that and make sure that the Assembly solves some of these basic questions and does so in the interest of the public, of the consumer, and not necessarily in the interests of the insurance industry or the injury lawyers. The biggest concern I have in all of this, Mr. Speaker, is that in the conflict between those two groups the public, the consumer of insurance, has become lost and is not going to get the full benefit that they might if all options were on the table, including public auto insurance.

So with that, Mr. Speaker, I will take my seat and urge other members of the Assembly to participate in this debate.

**The Acting Speaker:** Hon. members, this amendment, for the record, will be referred to as reasoned amendment A2. The hon. Member for Edmonton-Riverview.

**Dr. Taft:** Yes. I'll just speak briefly to amendment A2, in support of it. This amendment, if it passes, would give an opportunity to explore a particular issue that's been brought to my attention, and in case the amendment doesn't pass, I'm going to raise the issue, so perhaps somebody like the Member for Medicine Hat might be able to address it in some other forum.

The basic question and the reason I'm supporting the amendment is in addressing section 6. I believe it would probably come under

section 6, and I listened to the Member for Medicine Hat talk about this, and I did appreciate his comments. The issue that I have wondered about would be: how much money do insurance companies expect to save by shifting responsibility for payment of lost wages to employer-sponsored or other disability plans?

There are various ways that Bill 53 proposes to reduce costs. One of them is by shifting responsibility, or reducing the liability may be a better way to put it, of the auto insurance companies for lost wages and relying more heavily on employer-sponsored or other disability plans. How much does that particular provision add up to in savings? I would be able to explore that issue more fully with the members if this particular amendment were to pass, so that's why I will be voting for it.

Thank you.

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

**Ms Blakeman:** Thanks very much, Mr. Speaker. I'm voting in favour of this amendment because, in fact, I had been hoping that there would have been an amendment on section 6, which I had spoken about in both second and Committee of the Whole. I understand the arguments coming forth. I've read the document that was commissioned by the government and everyone carefully explaining what they call double-dipping, whereby someone who in fact was eligible to receive, for example, two disability pensions could in fact do that. It seems that where the government is more concerned about this issue is people being able to pull from, for example, government-sponsored programs like AISH and recover from an automobile insurance coverage as well. But I'm representing a sector of people who have been responsible and are trying to look after themselves, which is a philosophy that I hear repeatedly stated from the government. So I don't understand why they are insisting on pushing through something that has the effect of penalizing those Albertans that are trying to be responsible for themselves, and that is the sector of people who are self-employed or work as consultants.

Specifically I'm talking about the arts sector. At this point in time there are more people employed in that sector in Alberta than in the manufacturing sector. I think it's the third or fourth largest employment sector, cultural industries, in Alberta. As much as we can afford to, we have all tried to make sure that we're paying for individual disability premiums to make sure that we're covered, but at different times being consultants and self-employed we do end up getting coverage under other employment programs. We're not going to drop the one we've been paying for all along because when we go back, we'd be paying premiums that are double and triple what we were before, so we keep paying for those.

So from my point of view, this isn't about double-dipping; it's about double-paying because, in effect, I am double-paying right now. I still had that disability premium that I've carried all the way along, plus I would also be eligible for coverage under the coverage that I would get through the Legislative Assembly.

11:50

This section 6 just discourages me and others from taking responsibility and trying to make sure that we have looked after ourselves because we'd end up paying for premiums that we would not be allowed to pull from. I just feel that it's penalizing those Albertans. This has been a significant sacrifice for me at different points in my life, and I know that it's certainly a sacrifice for my colleagues in the arts sector. These are not cheap premiums, so to keep this up has been difficult, and to have us trying to take that responsibility and then not being able to draw from a disability

pension that would come along with that is patently unfair, I think. It certainly does not support individual rights or freedom of choice. I don't think we should be penalizing Albertans for trying to make free choices there.

I had hoped to see an amendment on this. It's obviously not going to happen, and I would support the efforts of the Member for Edmonton-Gold Bar to try and recommit to Committee of the Whole so we could be considering that.

Thank you very much.

[Motion on amendment A2 lost]

**The Acting Speaker:** The hon. Member for Medicine Hat to close debate.

**Mr. Renner:** Thank you, Mr. Speaker. It's my pleasure to close debate on this bill. Just before we proceed to the vote, I would like to take a few moments of the Assembly's time to make a few acknowledgments and to thank the acknowledgments that I've received from members of both the government as well as the opposition throughout the debate on this bill. It has, as you know, Mr. Speaker, been a rather contentious bill, and I acknowledge the fact that we're dealing with some very difficult issues with respect to this bill. I feel very strongly that we're moving in the right direction, and at the end of the day Albertans will be very well served by this bill.

I would like to acknowledge the support of the Minister of Finance as well as a surprisingly small but dedicated group of staff within the Ministry of Finance who have worked so diligently on this legislation throughout the summer and fall to get it this far.

I also would just like to acknowledge that with a notable few exceptions most of the debate that we have had on this bill has been extremely productive, and I think it's worth noting that the government accepted one of the proposed amendments that was brought forward by the opposition. I think it adds some quality to the bill. Other amendments that were brought forward by the opposition although not accepted by the government I think can be incorporated into the regulation-making process.

So with that, Mr. Speaker, I again recommit the government to further development on this bill through the regulation-making process, to seek public input, to keep the public informed on the development of regulations, and I look forward to support of the Assembly on this bill so that we can start that very, very important process and ensure that we bring an insurance regime to Albertans that will in fact be fair, will be accessible and affordable to all Albertans.

Thank you very much, Mr. Speaker.

[Motion carried; Bill 53 read a third time]

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

**Mr. Hancock:** Mr. Speaker, my perusal of the Order Paper would suggest there only remain two bills on the Order Paper that we haven't dealt with, being Bill 33, which has been subsumed by the bill we just passed, and Bill 56, which I indicated was going to be left over to the spring. Therefore, pursuant to Government Motion 28 agreed to December 1, 2003, I move that we adjourn.

[Motion carried; pursuant to Government Motion 28 the Assembly adjourned at 11:56 p.m.]