

Legislative Assembly of Alberta

Title: **Wednesday, May 12, 1999** 8:00 p.m.

Date: 99/05/12

[The Deputy Speaker in the chair]

THE DEPUTY SPEAKER: Before we begin this evening's deliberations, I wonder if we might have unanimous consent to revert to Introduction of Guests.

HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed? Carried.

head: Introduction of Guests

MS CALAHASEN: Mr. Speaker, I'm just checking to see if he's around. It doesn't appear that he's here yet. I don't know if he's up there. Oh, there he is.

Mr. Speaker, today it gives me great pleasure to introduce to you and to Members of the Legislative Assembly an individual who comes from High Prairie. He works at the Tolko OSB plant there, the latest addition to High Prairie, and he is the woodlands manager. He's seated in the public gallery. I'd ask that Dave Knight stand and receive the warm welcome of the Assembly.

THE DEPUTY SPEAKER: Edmonton-Riverview, did you have a guest?

MRS. SLOAN: Yes, I did. Mr. Speaker, I'm very pleased this evening to introduce two individuals who are strong activists in the city of Edmonton and also activists for the disabled community. They are Bruce Miller, the pastor from Robertson-Wesley United Church and a member of the Quality of Life Commission, and Bev Matheson, the executive director of the Alberta Committee of Citizens with Disabilities. I would ask them to rise and receive the warm welcome of the Assembly.

head: Government Bills and Orders

head: Second Reading

Bill 30

Employment Pension Plans Amendment Act, 1999

[Adjourned debate May 3: Mrs. Olsen]

THE DEPUTY SPEAKER: The hon. Member for Banff-Cochrane to close debate.

MRS. TARCHUK: No. That's fine. I think we're ready to go ahead with the vote.

[Motion carried; Bill 30 read a second time]

head: Government Bills and Orders

head: Committee of the Whole

[Mr. Tannas in the chair]

THE CHAIRMAN: For the benefit of those who are in the gallery, I would explain a little bit about what Committee of the Whole is. Committee of the Whole is the informal session of the Assembly. We're dealing with bills sort of item by item, sentence by sentence, or section by section, and the rules are rather relaxed. During the

course of the debate in Committee of the Whole, a member may speak a number of times on various issues, and members may sit in places other than that which are named for them. However, we still go by the convention that only one hon. member should be standing and talking at the same time, and hopefully that's honoured more in the keeping than in the breach.

Bill 30

Employment Pension Plans Amendment Act, 1999

THE CHAIRMAN: This evening for Committee of the Whole our first item is Bill 30. Are there any comments, questions, or amendments to be offered with respect to this bill?

The hon. Member for Banff-Cochrane.

MRS. TARCHUK: Thank you, Mr. Chairman. I'd like to move the House amendment to Bill 30 being distributed by the table. After hearing some concerns that section 20 lacked clarification of intent, I am pleased to respond with this amendment.

THE CHAIRMAN: This first amendment that's offered with regard to this bill will be known as amendment A1. Before we proceed any further, we just want to make sure that some people received them.

Hon. Member for Banff-Cochrane, do you have anything further to add?

MRS. TARCHUK: No.

THE CHAIRMAN: Okay. We're ready for debate.

The hon. Member for Edmonton-Gold Bar, amendment A1.

MR. MacDONALD: Thank you, Mr. Chairman. On the amendment. I believe this amendment to the Employment Pension Plans Amendment Act, 1999, incorporates into pension legislation a welcome change. This amendment assures that everyone can be included. I think the hon. member understands and recognizes the duty to accommodate. The duty to accommodate can sometimes present a considerable challenge, and I am in favour of this amendment.

Thank you.

[Motion on amendment A1 carried]

THE CHAIRMAN: The hon. Member for Edmonton-Gold Bar.

MR. MacDONALD: Yes, Mr. Chairman. At this time in committee I have a few other comments regarding Bill 30. One of these has to do with the question of vesting. This is going on in the present section 23(2). The proposed amendment that we are looking at will continue five-year vesting up until January 1, 2000, and thereafter vesting is going to go on every two years. I think for the majority of workers in the province the two-year vesting is an excellent idea. However, the practical effect of this amendment is one that is going to require a number of pension plans – and this, Mr. Chairman, I would like to note – in areas such as construction to carry very small pension entitlements for a very long time.

In the circumstances that are set out in this amendment, the following factual situation could easily happen. Someone goes to work for a contractor on November 1 and works 350 hours prior to the end of the year. In the following year in January or February he or she works 350 hours. He or she then departs that particular industry, never to be seen again, and this person could be entitled to a pension. This pension would be so small it would be virtually nonexistent. But if the person is a young person, then the pension

plan is going to have to administer the claim as filed for a very, very long time, and it will probably cost the pension fund the value of the pension simply in yearly per file administration costs. This is one problem that I believe is going to occur, but I believe it's a problem we're going to have to live with.

Before taking my seat, Mr. Chairman, I would also like to talk about the reservations that have come forward from the local authorities pension plan. Since 1992 there has been talk of independence. Sometimes independence comes slower, or it can cause people to get frustrated. Hopefully there is going to be legislation come forward to allow the local authorities pension plan to have comfortable direction in how they are going to have governance.

With those comments, Mr. Chairman, I shall take my seat at this time regarding Bill 30 in committee. I thank you.

[The clauses of Bill 30 as amended agreed to]

[Title and preamble agreed to]

THE CHAIRMAN: Shall the bill be reported?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

8:10 **Bill 32**
Assured Income for the Severely Handicapped
Amendment Act, 1999

THE CHAIRMAN: Are there any comments, questions, or amendments to be proposed with regard to this act?

The hon. Member for Edmonton-Riverview.

MRS. SLOAN: Thank you, Mr. Chairman. I have I believe 18 amendments in total this evening that we have identified must be proposed to this act in order to make it suitable and defensible in the public's respect. I have copies of those, and I've proceeded to identify those as A1, A2, and A3. The original copies with the original signatures are forthcoming. I'll proceed to give some rationale with respect to them.

THE CHAIRMAN: Hon. member, because no one has them yet, go ahead with the rationale for a moment or two. Then read the amendment out, because they're not numbered. Naturally enough you wouldn't know until you got here what the number would be. So a little bit of rationale, and then when they all get them, we'll read it out so they can put down A1. Go ahead.

MRS. SLOAN: Excellent. Basically our amendments can be categorized in three areas. One area is to do with the powers of the director and the breadth of decision-making that will be made by regulations. The second area relates to asset testing and the fundamental changes to the program that will make this in essence, Mr. Chairman, more of a welfare program than an entitlement or pension-based program, as it is now. The third category deals with again a fundamental change, where the references to trustees have been removed and the undefined term of financial administrator is being incorporated into the act. In all of the aspects of that – the change it brings to the legislation, intricacies that involve the assets being appraised by the Crown, by employees of the Crown – it is our opinion that the sanctity of the program, if you will, the security of clients that are on AISH currently or that might require AISH in the future will be compromised and that the values inherent in the

program in the beginning, the fundamental values of ensuring our disabled community a quality of life, equalities, security, are irreparably damaged without having these amendments brought forward.

So I would like at this time to introduce amendment A1, and I'd be prepared to read that into the record. I move that Bill 32 be amended in the following sections by adding "as adjusted annually for inflation" after "\$100,000": section 5 in the proposed section 4(2)(d); section 6 in the proposed section 5.2(2); section 8 in the proposed section 8(c).

Perhaps before I go into the specifics of this, for all members' knowledge the proposal was made to the office of the minister this afternoon that the first three amendments I'm introducing tonight are primary amendments. They are, in our opinion, the most important for passage. In that context we made the offer to the office of the minister that the subsequent debate on the other 17 amendments could be negotiated and shortened if in fact there was some consideration of these first three. I've provided the House leader for the government side with a copy of these amendments, and my understanding is that has been communicated to him. So I'm just wanting to make those acknowledgments up front, and if the government is in a position this evening to be flexible, to do what's right, the offer has been made and the opportunity exists for them to do that.

In all of these sections, sections 5, 6, and 8, we have the reference made to the new asset limit of \$100,000, but as all of us know, Mr. Chairman, your assets today, whether they be \$100,000 or \$30,000 or \$250,000, certainly may not be worth that amount, depending on how they're categorized, a month from now, six months from now, or a year from now. Our intent in this amendment is that citizens of Alberta who are in need of the AISH program should have the benefit of having the assets adjusted on an annual basis, and that is encompassed.

Now, that currently does not exist in the bill. I don't know why that is the case. It would seem to me that if there was a humane vein in the government, they would've been alive to this issue long before the bill was introduced and was still in draft form. That regrettably wasn't identified as a priority and was not incorporated, so we find ourselves amending the bill in this respect tonight.

It's also valid to indicate that the bill as it's currently proposed is going to be up for review in five years, and in that respect the government should also be mentored that this is something they can reconsider. Personally I think it's something that strengthens the bill, but if there is a degree of reluctance on the government's side to the amendment, they should recognize they have an opportunity to review it within that five-year time. I think that at a very basic level, Mr. Chairman, what we want to ensure is that the security of people with disabilities in this province is not compromised by the establishment of an asset test that is not indexed for inflation and that in three years' time, five years' time may be worth a lot less money.

Those are my thoughts on this amendment, and there may be others who are willing to speak to it at this stage, including members of the government, and I welcome their thoughts.

Thank you.

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

MR. DICKSON: I just make the observation, Mr. Chairman, that I talked the other night at second reading on this bill about consultations I had been involved with in the city of Calgary with constituents and other Calgaryans who currently either are on the AISH program or attempting to get on the AISH program, and I can tell you that this amendment addresses – it's not their sole concern but perhaps one of their major concerns. I'm frankly glad that the

Member for Edmonton-Riverview has given us the opportunity to rethink the limits, and I think the business of an inflation adjustment is a particularly important one, so I'd encourage members to support it.

Thanks, Mr. Chairman.

8:20

THE CHAIRMAN: Are you ready for the question? We have for our consideration amendment A1 to Bill 32 as proposed by the hon. Member for Edmonton-Riverview. All those in support of amendment A1, please say aye.

SOME HON. MEMBERS: Aye.

THE CHAIRMAN: Those opposed, please say no.

SOME HON. MEMBERS: No.

THE CHAIRMAN: Defeated.

[Several members rose calling for a division. The division bell was rung at 8:21 p.m.]

[Ten minutes having elapsed, the committee divided]

[Mr. Tannas in the chair]

For the motion:

Dickson	Nicol	Soetaert
MacDonald	Sloan	White
Massey		

Against the motion:

Boutilier	Hancock	Renner
Broda	Herard	Shariff
Calahasen	Hierath	Stelmach
Cardinal	Hlady	Stevens
Coutts	Laing	Strang
Day	Langevin	Tarchuk
Doerksen	McFarland	Taylor
Dunford	Melchin	Woloshyn
Evans	Nelson	Yankowsky
Fischer	Pham	Zwozdesky
Fritz		

Totals:	For – 7	Against – 31
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[Motion on amendment A1 lost]

MR. DICKSON: Mr. Chairman, to expedite proceedings this evening on this bill, I wonder if we might have unanimous consent that notwithstanding Standing Order 32(2) in the event that there's a division, there would only be a one-minute interval instead of the 10-minute interval provided for in Standing Order 32(2). That would only be for purposes of divisions on this bill that we're currently dealing with, Bill 32.

THE CHAIRMAN: The hon. Member for Calgary-Buffalo has moved that we have a one-minute interval for all division bells on Bill 32. All those in support of this motion, please say aye.

HON. MEMBERS: Aye.

THE CHAIRMAN: Those opposed, please say no. Carried. You have unanimous consent.

The hon. Member for Edmonton-Riverview.

MRS. SLOAN: All right. Thank you, Mr. Chairman. The second amendment I would like to introduce this evening is with respect to the enormous references within the proposed bill that decisions, applications of the components of this bill will be made by regulation. While the majority of members in this Assembly might be aware of what that means, there are many citizens in the province that are not aware that by making decisions by regulation, they are thereby exempt from being part of the process. There is no public debate in the Legislature. There is no consultation. It is simply a deliberation that is made by the cabinet of government, and subsequently orders in council are issued and regulations are made.

The references within the bill as it's proposed relate to a large number of areas: assets, the eligibility for AISH, the powers of the director, the determination of how the asset test will be applied. All those things have components of the process made by regulation. In that respect, Mr. Chairman, we believe the public has to have some type of role, and particularly the disabled community must have an opportunity to view through a microscopic lens the regulations the government has approved that will directly impact their community on an annual basis.

So at this time I would like to read the amendment into the record. I would move that Bill 32 be amended in section 11 in the proposed section 13 by adding the following after subsection (2):

- (3) The Minister shall establish a committee composed of 5 representatives of non-governmental disability organizations which shall meet twice a year to review and provide advice to the Minister on regulations made pursuant to section 13.

THE CHAIRMAN: Amendment A2.

MRS. SLOAN: So in essence, Mr. Chairman, what this would allow is for five representatives of the disabled community the opportunity on behalf of their constituents, their community to review all regulations, to humanize the impact of those regulations to the minister twice annually. Again, I think this is something that strengthens the bill. It provides for the transparency that the government always attests to striving for, and in that respect I would be anticipating that the majority of the government members would be supportive of it.

Now, this in particular is important when you consider the poor public ratings the government has received with respect to their handling of this AISH review. Certainly the Official Opposition heard loud and clear how the public rated the government's performance with respect to the information they provided to citizens about the AISH review. Eighty-three point four percent of respondents to the Official Opposition's survey said that the information was not good or poor. Another 5.4 percent said that it was unclear; 3.5 percent said it was confusing; 2.2 percent said that the information provided by government was shocking and disgusting.

So it would seem to me that in an effort to throw a lifesaver to the government in some respects and salvage a small degree of credibility with respect to this whole exercise, it would assist them if they allowed the disabled representatives the opportunity to review the bill, particularly the regulations, twice annually.

8:40

Now that's also particularly important when you consider the areas this amendment will apply to, as I indicated before: the area of setting an asset limit, the sweeping powers the director of the

program will now have, the fundamental changes being imposed with respect to the removal of the trustee and a new undefined financial administrator providing the assessment of assets. The director of course is an employee of the government, and it seems also that the financial administrators that are provided for in this act as a substitute for the trustee would not be an advocate or adviser on behalf of the client or the AISH recipient. They would potentially be an employee of the Crown and thereby be another mechanism whereby the government can siphon and narrow the number of people who will actually qualify for this program. I will be introducing amendments later this evening that talk specifically about that change and the fact that it is fundamentally wrong.

So I think the further justification for the amendment is that the government has utilized, has been perhaps a master of sorts of organizing so-called consultations for a variety of different areas. This may be somewhat different in that it's a legislated requirement that they consult on it twice a year, but perhaps that's not a bad precedent to set, particularly on a community that is vulnerable and that is at the mercy, if you will, of the government of this province.

I would also just like to remind the government with respect to their own consultation and survey that so far they haven't asked Albertans about these changes on the record. The questions that they asked, only four, which were conducted in January and February of this year, were: what should support programs attempt to achieve, what changes should we be considering, how can we be sure that benefits are allocated according to need, and how should changes be managed? The responses to those questions, albeit the questions were narrow, were not positive either. In fact the whole methodology of that questionnaire was challenged by researchers in the province. Nonetheless again this is an opportunity for the government to attempt to broaden their input and the public's opportunity to consider these changes.

So with those comments, Mr. Chairman, I'm pleased to provide the government this opportunity for increased transparency this evening. Thank you very much.

THE CHAIRMAN: The hon. Member for Spruce Grove-Sturgeon-St. Albert.

MRS. SOETAERT: Thank you, Mr. Chairman. I just want to briefly speak to this amendment, because I think it's a very good amendment and I think it's one we should all really think about, having a five-person committee that is not connected to the government. They wouldn't get paid for the job they would do. They would meet to look over the regulations. I think we have to respect the fact that they live this life and certainly would understand it better than you and I would. They would meet, look at how the regulations have affected their lives.

I could give my long regulation-behind-closed-doors speech, but I don't think we need that tonight. [interjection] Go for it, eh?

The fact is that there are going to be a lot of changes done by regulation, and when they're done by regulation, sometimes it takes a little while to see what kind of effect they're going to have. I just think this might be a very strong committee. They would be owing nothing to anyone.

The Member for Edmonton-Rutherford asked a question the other day about the Premier's Council on the Status of Persons with Disabilities and the fact that it is no longer arm's length. Whether the representative from the government does a good job on that or not, the reality is that it's not arm's length anymore. With that in mind, that makes this amendment even more important. No disrespect meant for the Member for Clover Bar-Fort Saskatchewan. No offence to him, but that's not arm's length. No doubt you're

going to temper what comes out when you're working with the Premier's Council on the Status of Persons with Disabilities.

This would be a committee of five people who would look at how the regulations have affected lives. I think it would be a very good amendment. I think it would make the bill stronger. I do wish the government members or the powers that be would support this amendment. If they need more input from other people, maybe they could table it for a while, or maybe they could adjourn debate on it and come back to it if they're serious about making this piece of legislation work.

Thank you, Mr. Chairman.

THE CHAIRMAN: The hon. Member for Edmonton-Gold Bar.

MR. MacDONALD: Thank you, Mr. Chairman. I, too, rise this evening to support amendment A2. My comments will be brief. After what the disabled community has encountered with all the talk about the changes to the AISH program – and it's a good program – there is a lot of concern in the community, and the hon. Member for Edmonton-Riverview makes it a lot stronger bill through this amendment.

The five representatives can come from anywhere in the province. They can bring a vast amount of information and knowledge, field experience, so to speak, to the minister and his officials. They will certainly bring good advice to the minister and his officials, and after the fear and the worry, that I talked about earlier, focusing around the changes to the AISH program, this is a very good idea. I would urge all hon. members of the Assembly to support this amendment A2.

Thank you.

THE CHAIRMAN: The hon. Member for Calgary-Cross.

MRS. FRITZ: Thank you, Mr. Chairman. I'd like to thank the Member for Edmonton-Riverview for bringing forward this amendment. I acknowledge that it's here, and I believe it's here in good faith. All too often we hear that you don't hear from our side about why we don't support amendments, and I'd like to tell you why I'm not supporting this amendment.

I see this amendment as being redundant. In the debate earlier we heard that the Member for Clover Bar-Fort Saskatchewan was not arm's length. Well, I tend to believe that that committee he chairs is arm's length. He did file an annual report with the Legislature last week to show that, Mr. Chairman. We do have, as we just mentioned, the Premier's Council on Persons with Disabilities, and we also have the Persons with Developmental Disabilities Provincial Board. Those boards are made up of hardworking volunteers. They are from throughout the province. I think they meet in good faith and assist the minister with their guidance and their sage wisdom in developing policy and regulation as it relates to persons who are severely disabled.

So I thought that might assist the member in knowing why I won't be supporting her amendment this evening. Thank you, Mr. Chairman.

MRS. SOETAERT: I'm really glad that the Member for Calgary-Cross got up and spoke to this, Mr. Chairman. I guess we're going to end up agreeing to disagree. There's no way that a government MLA can be considered arm's length from government. It's absolutely impossible, and it's ridiculous to even assume that he is. So I disagree with the statement. And you know what? He's not disabled; he doesn't understand like people who live it. Neither do I. You just can't.

AN HON. MEMBER: There's a board and a chair.

MRS. SOETAERT: There's a board and a chair, et cetera, et cetera. I don't care.

He's the spokesperson. As the chair of that committee, he's the spokesperson for it. He's not arm's length. He wants to lobby his way to the front bench and get re-elected, and he'll say what pleases. He can say what pleases. He can choose to say what pleases, or he can choose to represent the council. I'm sure he does, but that lingers in the background. No matter what people say, there's no way a member of the government can be arm's length from the government.

8:50

THE CHAIRMAN: We have amendment A2 to Bill 32 as proposed by the hon. Member for Edmonton-Riverview. All those in support of amendment A2, please say aye.

SOME HON. MEMBERS: Aye.

THE CHAIRMAN: Those opposed, please say no.

SOME HON. MEMBERS: No.

[Several members rose calling for a division. The division bell was rung at 8:51 p.m.]

[One minute having elapsed, the committee divided]

[Mr. Tannas in the chair]

For the motion:

Carlson	Massey	Soetaert
Dickson	Nicol	White
MacDonald	Sloan	

Against the motion:

Boutilier	Fritz	Renner
Broda	Hancock	Shariff
Calahasen	Hierath	Stelmach
Cardinal	Hlady	Stevens
Coutts	Laing	Tarchuk
Day	Langevin	Taylor
Doerksen	McFarland	Woloshyn
Dunford	Melchin	Yankowsky
Evans	Nelson	Zwozdesky
Fischer	Pham	

Totals:	For – 8	Against – 29
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[Motion on amendment A2 lost]

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

MRS. SLOAN: Thank you, Mr. Chairman. I'm pleased to rise to offer some general introductory comments on my third amendment. This amendment is intended to address specifically the sweeping powers that the proposed bill would give the director of the program in determining the value of assets and the principal residence. We think and it's certainly my opinion that this would place AISH recipients at the mercy of the director. There are no specifics in the bill as to how that director would actually determine, appraise the assets.

Obviously the director is an employee of the Crown, of the government, and thereby is in the same position as we find many of the employees in SFI and AISH currently. They are faced with very rigid policies and procedures. They see people who are desperate, that require advocacy and assistance, but they have such strict limitations in the programs in which they are functioning that they're not able to extend the assistance to people that they require. In a similar sense, what the government's current bill proposes is that the director could define a very rigid and arbitrary process for establishing assets, that being both assets of a financial nature and assets including the principal residence.

I've had many discussions and many questions asked of me as to how in fact this process would be undertaken. How would it be determined? The bill currently says that the principal residence would be exempt from asset testing. Well, what if an AISH recipient resided on Valleyview Drive here in the city of Edmonton – and I think the average worth of a property on that street would be in the hundreds of thousands – and that was their primary residence, or an AISH recipient resided in a house on 95th Street? Very different values. So how would that be rectified? The bill doesn't speak to that. In essence, one AISH recipient would be able to be exempt for perhaps several hundred thousand dollars in the value of their home on Valleyview, and another AISH recipient on 95th Street would be in a position where really they were only afforded an exemption for a home of maybe \$20,000 in value. So it's inequitable is the basic premise.

If the members are concerned, if this is causing them some angst in this regard, then I would suggest they vote in favour of this. Again, what it offers them, Mr. Chairman, is the opportunity to make this more transparent, more equitable in its application to the vulnerable in this province. Really, what is there to lose by making the determination of assets something that is done by independent appraisers? To me that is inherently more fair than a director whose expertise is in the application of departmental policies, making that person responsible for the assessment of assets, Mr. Chairman.

Their background, their expertise is not going to be anywhere within the parameters of that particular area. So what amendment A3 does – I will read the amendment into the record. I move that Bill 32 be amended in section 11 in the proposed section 13, by adding the following after subsection (1):

- (1.1) Where the Lieutenant Governor in Council makes a regulation under subsection (1)(c), it shall ensure that any valuation of real property is required to be completed by 2 appraisers who are not employees of the Crown.
- (1.2) Where the Lieutenant Governor in Council makes a regulation under subsection (1)(d), it shall ensure that any valuation of assets is required to be completed by 2 financial advisors who are not employees of the Crown.

So it thereby removes the interference, eliminates the conflict of interest, allows for a transparent process to occur and allows the process for the client, Mr. Chairman, in this case to have some control over this process when it comes to not the government's assets, not the taxpayers of this province's assets, but the assets of the AISH recipient. They deserve to have some role to play in how those assets are validated, and in this respect the amendment provides for their involvement in the determination of who the appraisers would be and also who the financial advisors would be.

9:00

I have regrettably witnessed the rigidity in terms of the application of the policies of social services in more than one respect, and I cannot in good conscience let this area go unamended. To me the government, in utilizing the millionaires as a red herring, a flag if you will, for trumpeting this review of AISH, has really distracted

people. Through the millionaires and through the asset testing they've really distracted people from some of the intricacies of this bill and how in fact it will be applied.

MR. DICKSON: Mythical millionaires.

MRS. SLOAN: Well, mythical millionaires, as the hon. Member for Calgary-Buffalo is indicating. Really the government again has, I believe, only yet to validate three out of the seven that they said existed, so I'm looking forward to the day when that's provided in more detail, because it really was used as a justification. I recall at second reading that was magnified, the number of times the government used that as a reference to justify bringing in these changes.

These would certainly be reasonable in the community that has been consulting with me, and they are most certainly for those members of the legal community that I've spoken to that have asked how they are going to advise people about the allocation of assets or the determination of their will. These types of things are going to provide, I think, a process that is much more fair.

With those thoughts, Mr. Chairman, I am prepared at this stage to allow other members of my caucus to provide their thoughts and recommendations in this regard.

Thank you.

THE CHAIRMAN: The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Chairman. I just wanted to address a few words to this amendment. The spirit of the amendment certainly makes sense in terms of valuation. In the concept of natural justice one would expect that there would be an appropriate method for independent valuation.

The point that I'd like to make is that the amendment itself is unnecessary. The concept of legislation is that it provides a framework, an outline of the law. It doesn't provide all the detail, and if we put all the detail that was required in every law into the statutes, the libraries wouldn't be large enough to hold them.

While the concept itself is of some value, that there should be independent valuations – and in fact I would expect that would be how the department would carry out its job – it's not necessary to include this in the section relating to the regulations. In fact, if it was appropriate to actually require in the printed law an external valuation, then it would be appropriate to put those provisions in the regulations to the act.

MRS. SOETAERT: The hon. minister has almost inspired me to give my regulation talk again, but I'm not going to. What this amendment will do is it's going to help this government out, because they have introduced asset testing and they don't know what kinds of headaches they're going to get from that and how they are going to evaluate that and who's going to be exempt for certain things. I know they've listed some things.

Then we're going to get into the regulations, and there are going to be things that we don't know about, and we don't have an independent committee to look at the regulations. So in a way this is a framework that will help them when they're doing the asset testing, which by the way I disagree with in the first place. I think we lost that amendment too.

I really would like the government members to think about this. You know, next spring or maybe even this fall we'll be back here with amendments to Bill 32. They'll be our amendments, but you can bring them in under your name, and we'll agree to them for you, because we're ever trying to help them do their job.

I really wish people would consider this independent appraiser.

We're going to have headaches with this asset testing, and this will at least aid the government in doing their job. It's a very well-thought-out amendment, and it will certainly serve the community better, and that's the point of this amendment, to serve the community better. So I hope, Mr. Chairman, that people will support this amendment.

THE CHAIRMAN: The hon. Member for Lethbridge-East.

DR. NICOL: Thank you, Mr. Chairman. Just a quick comment almost in the form of a question to the hon. Government House Leader and his comment that this is a good amendment in its spirit but doesn't have to be put into the legislation because it's implied by action that this is the way it would be done. Yet I think of the number of times when in other situations relative to government decision-making – the complaints that come to my office as an MLA deal with the perception of the lack of objectivity of either the direct decision-making, the appeal process, or the final arbitration. That, in essence, is possibly the spirit behind the laws, but it isn't in fact the practice when you look at it from the perspective of the people that come into our offices. It's on that basis that I'm going to support this amendment.

MR. SHARIFF: Mr. Chairman, I've been listening to this argument for this amendment, and I'm not sure if the hon. Member for Edmonton-Riverview has really looked at this bill in its totality. The argument that was presented was a comparison of two residences with different valuations, and section 11, which is suggested for amendment, deals with regulations. However, when I go back to the bill under section 5 subsection (d), there's an exemption very clearly identified which states that

the value of all assets owned by the person and the person's spouse that are not exempt under section 5.3 and the regulations is \$100,000 or less.

Then if you go to section 5.3, it very clearly has exemptions, and it says that

the following assets are exempt assets and the Director must not include their value in calculations under section 4 or 5.2:

- (a) a principal residence, within the meaning of the regulations;
- (b) subject to the regulations, one vehicle that is adapted to accommodate the handicap of the person who applies for or receives a handicap benefit.

And it goes on and on. So the primary residence is exempt.

The calculation of assets, the way I read this bill, deals with assets that will bring income to the recipient of AISH, and that was the argument that was forwarded by the hon. Member for Edmonton-Riverview. In my opinion, I'm not sure if her intent is deflected in the amendment that she's proposing.

SOME HON. MEMBERS: Agreed.

MR. SHARIFF: I'm hearing a lot of members saying "agreed." Basically I think an argument has been presented just for the sake of argument.

Thank you.

MRS. SLOAN: Well, Mr. Chairman, kindly, I think the hon. member has missed the point entirely. I did not intend in my remarks to indicate that the same person owned the home on Valleyview Drive and the home on 95th Street. It's the inherent inequity in one person owning a \$300,000 home and that primary residence being exempt and another client, because of circumstances, being in a home that's perhaps worth \$20,000 on 95th Street. It's not the same person owning two residences. It's the fact

that one gets hundreds of thousands of dollars exempt in the way in which this bill is read, and the other one has their primary residence exempt, but it's worth a much, much less amount.

9:10

DR. NICOL: Linda, they don't understand the concept of equity.

MRS. SLOAN: And that perhaps is true as well. It's been indicated to me that perhaps what's really at the crux of this is that there is not an understanding of the definition of equity and how that is applied within legislation.

But just to reflect back on the remarks that were made by the hon. Government House Leader. The member seems to think that his government is going to be here forever. "We understand, and therefore the way in which this act will be applied will be secure." But governments change, and in fact rumours are rampant, Mr. Chairman, that the leader of their very own government might change as early as next year or that there might be an election next year. Many, many things could change, and the ideology of the ruling party could be subject to change because of a change in leadership, and that might filter down and apply itself in terms of the determination of assets and the way in which equity is defined. We've already established that that's a bit tenuous this evening.

All I would indicate to the hon. government member is that governments are not fixed in stone, and if we don't have these provisions in the legislation, if they're left off in a dark room to be determined in private by orders of the cabinet, it can be applied in an even harsher way than might be anticipated by this member this evening. So that is the intent, and I really appreciate the opportunity, just in the context of these amendments, to broaden the government members' understanding of this bill, and I appreciate the debate that's been offered by the members on the government side this evening.

Thank you.

SOME HON. MEMBERS: Question.

THE CHAIRMAN: You're ready for the question. We have before us amendment A3 to Bill 32 as proposed by the hon. Member for Edmonton-Riverview. All those in support of amendment A3, please say aye.

SOME HON. MEMBERS: Aye.

THE CHAIRMAN: Those opposed, please say no.

SOME HON. MEMBERS: No.

THE CHAIRMAN: Defeated.

[Several members rose calling for a division. The division bell was rung at 9:14 p.m.]

[One minute having elapsed, the committee divided]

[Mr. Tannas in the chair]

For the motion:

Carlson	Massey	Sloan
Dickson	Nicol	Soetaert
MacDonald	Olsen	White

Against the motion:

Boutilier	Hancock	Renner
Broda	Herard	Shariff
Calahasen	Hierath	Stelmach
Cardinal	Hlady	Stevens
Day	Laing	Tarchuk
Doerksen	Langevin	Taylor
Dunford	McFarland	Woloshyn
Evans	Melchin	Yankowsky
Fischer	Nelson	Zwozdesky
Fritz	Pham	

Totals	For – 9	Against – 29
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[Motion on amendment A3 lost]

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

MRS. SLOAN: Thank you, Mr. Chairman. Well, I have amendment A4 before me, and had the government voted in approval of the earlier amendment to index the \$100,000 asset level to inflation, this amendment might not have been necessary. But as a result of the fact that that earlier amendment didn't pass, I feel compelled this evening to introduce an amendment that would in effect raise the asset ceiling that the government has proposed.

[Mr. Herard in the chair]

Currently the bill before us sets an asset level of \$100,000. As all of us are aware, that doesn't go very far these days, and it will go even less in the future. In reflecting on the government's review of AISH and the atmosphere of respect within the Assembly this evening, it compels me to cite a quotation made by William Mackenzie, someone well recognized to politicians within this country. He said: Tories, pensioners, placemen, Orangemen, churchmen, brokers, gamblers, parasites, allow me to congratulate you; your feet are at last on the people's necks. Really we're just about there, Mr. Chairman. We're just about there. We're starting with the vulnerable, and we'll work our way up to the middle class – speaking in the context of the government, I should clarify.

9:20

There are many aspects of the bill before us that are not well understood by the disabled community, and that is in part because the government did not consult them and did not offer them an in-depth analysis of how these changes would be implemented and how they would affect them in the future.

So with that, I would like to read A4 into the record. I move that Bill 32 be amended in the following sections by striking out "\$100,000" and substituting "\$200,000": section 5(c), in the proposed section 4(2)(d); section 6, in the proposed section 5.2(2); section 8, in the proposed section 8(c).

The intent of this amendment, Mr. Chairman, is very simple. It would effectively raise the limit for assets within the assured income for the severely handicapped program to \$200,000. Well, perhaps many members are not aware, particularly on the government side, that some of the people who receive AISH or apply for AISH have multiple disabilities. Many are not employed, and of course when AISH was designed initially, it was intended that they would not have to work to earn their livelihood. If by some kind fate an AISH recipient has received, been left in trust, has been willed an amount of money, really \$200,000 being so small, it would seem to me that the last thing this government should be setting its sights on is the

withdrawal, removal of that security from that individual. There are many other aspects of programs and inefficiencies, in my opinion, that the government would be much, much better served to focus on.

Just to go back to the needs of this community. Disabilities, of course, are varied and multifaceted. Many recipients of AISH require additional supports. They require caregivers. They require special aids in their home. They require equipment, and of course that equipment needs to be maintained. All of those additional needs this community may have. They may require regular assessments, whether it be physiotherapy, whether it be a psychologist, psychiatric assessments, things that require them to use transportation frequently, things that are expensive. Of course, whether we are disabled or not disabled, we all know that we are going to age and are going to reach a period in our lives where we're not as healthy as we used to be. Being ill is expensive, and in that respect this community, despite all the needs they might have currently, in the future might have more needs, and they may need to access or at least have the security of knowing they can access this money to provide them that support.

Now, that argument is very much strengthened by contemplating a future where in this province we might have a greater involvement of the private, for-profit sector in our health care system. The government might place the disabled community in a position where they are having to buy their health care, buy additional private insurance, buy or pay additional for surgery or an intervention of some kind. That is not a system that the Official Opposition supports or envisions, Mr. Chairman, but it seems to be a future this government is intent on taking us to.

So \$200,000 is not by any means – and if I were to ask the hon. minister of science and technology or the hon. Provincial Treasurer how much money they're putting away for their retirement, I would highly suspect that it is more than \$200,000. Both of those individuals look like relatively healthy specimens, although sometimes appearances can be deceiving. They may have a disability, and certainly no disrespect or ill intent is meant by placing them under the scrutiny of debate tonight. However, I would like to point out that there's an inherent contradiction if we sit in this Assembly and say and plan that we will put our sights on having \$500,000 or a million dollars in assets accrued so that we can have a comfortable retirement in later years in life, yet we impose by legislation a limit of \$100,000 that is currently in this bill. That's again an inherent unfairness and inequity, and I think it calls to all members to be reasonable, to be visionary, to be human, and extend to those who are in a position of vulnerability the ability to have some security in the future, Mr. Chairman.

So those are my thoughts with respect to this amendment, and there may be others within my caucus or perhaps on the government side that would like to offer their thoughts in this regard.

Thank you.

THE ACTING CHAIRMAN: Hon. members, before voting on A4, might we revert briefly to the Introduction of Guests, please?

HON. MEMBERS: Agreed.

THE ACTING CHAIRMAN: Opposed? Carried.

head: Introduction of Guests
(*reversion*)

THE ACTING CHAIRMAN: The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Chairman. It's with great

pleasure that I introduce to you and through you to members of the Assembly someone who is very, very helpful to me in my role as Government House Leader, someone who helps on a daily basis to guide the direction of what we do in the House and how we do it: my executive assistant, David Gillies. Without his able guidance we'd probably be here for 200 days a year.

With Mr. Gillies is his wife, Lorraine Chay, her son John Wiest, and John's fiancée, Andria Whalley. I'd ask them all to rise and receive the traditional warm welcome of the House.

Bill 32
Assured Income for the Severely Handicapped
Amendment Act, 1999

(*continued*)

[Motion on amendment A4 lost]

MRS. SLOAN: Mr. Chairman, I'm pleased again to rise on my fifth amendment this evening. This speaks to a very important section of the bill before us. In the current bill we have quite a remarkable component in the preamble, a suggestion that we will be proposing by this act that the needs of persons who receive handicap benefits will be balanced with accountability to the taxpayers of Alberta. Now, in this respect we, in my recollection, did never recall that the government consulted Albertans about bringing in this inherent change.

I'm not sure if the right amendment is being circulated.

9:30

THE ACTING CHAIRMAN: Hon. member, I think they're precirculating the next one, but everyone has A5.

MRS. SLOAN: Good. Thank you.

So I don't recall in the government's questionnaire or the consultations, I don't recall at any of the public forums that were held on this issue that the government actually came out and proclaimed that this whole review was hinging on a need to balance the needs of the disabled with the supposed rights of the taxpayers of this province.

Now, in contrast, Mr. Chairman, in all of that time and in all of those circumstances I never heard a taxpayer in this province say that they felt this program needed to be ratcheted down, narrowed, made more restrictive so that their interests and rights were served. I did not hear a taxpayer put the call out to this government to undertake that type of reform. In fact, I heard citizens of this province saying that they believe the spirit of our society in this province is a caring and compassionate one, one in which we believe that the vulnerable within our borders should be treated to the same dignities, the same respect, the same entitlements as anyone else, including the taxpayers.

You know, I have to question in the same context, Mr. Chairman, why it would be that the government would single out the needs of the handicapped to be balanced with the needs of the taxpayers. Why would that be the case? Why would we not determine that the needs of the taxpayers need to be balanced with the needs or perhaps the interests of the corporate sector or perhaps those that are involved in economic or industrial development or that perhaps the needs of Edmonton-Riverview constituents might need to be balanced with those of the taxpayer? I mean it's ludicrous.

I may be wrong, because I'm new as a legislator, but I don't recall seeing a piece of legislation that singled out a group, particularly a vulnerable group, so that their provisions and the support they're afforded by this government would be balanced with the interests of the taxpayers. Now, if that precedent exists in other legislation, I'd

like to see it. But in my opinion, this speaks to the Mackenzie quote I referenced earlier about having our foot basically replacing the taxpayer's foot squarely on the neck of the disabled. That's not a very appealing visual, Mr. Chairman. In fact, I can't contemplate why we would need to do that.

We know the government is fixated on financial accountability. We know they're also fixated on deficit elimination and debt reduction. We know they're fixated on promoting economic development, but when it comes to human development, social development, the care for the vulnerable and disadvantaged it seems we're willing to sacrifice all those things in our pursuit of the almighty dollar. There's an old Cree saying that goes something along the lines that only when the last lake is gone, the last tree is cut, and the sky is polluted – I'm paraphrasing because I can't remember the quotation exactly – only then will you realize that money can't be eaten. That seems so appropriate in the context of what this particular section in the bill proposes.

Really, Mr. Chairman, to me there's nothing to lose for the government tonight to stand in support of this amendment. It sends a message that there's some small vein of compassion that exists within these walls and within our political process. It is a message of assurance to those who fall into an area of need, that are disabled, that this government is not an advocate solely of the taxpayer but represents and recognizes their responsibilities for the vulnerable as well.

I would invite other members to offer their thoughts and their recommendations in this regard. It doesn't have to be a painful amendment to pass. With those thoughts, Mr. Chairman, I'll take my seat.

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

MRS. LAING: Thank you, Mr. Chairman. I would like to speak on this amendment. When I read this amendment, I see a lot of things in it. I see things about removing barriers to employment for people who have disabilities. I see things about adding finances for families who have several children. I see things about people being able to come on and off the AISH pension so that they can try employment. If they have problems with that, they can be immediately reinstated to AISH.

I see opportunity in this preamble for people with disabilities. They are not being shunted out the back door. They're not being told to sit at home and watch TV and do whatever they want to do to while away the hours. They're being told to look at what their abilities are. They're being told that they can apply for training, that they can look at the kinds of supports they need to get a job.

I personally know two people who are quadriplegic. These people are working full-time. The handi-bus picks them up in the morning, takes them to their employment. One fellow is the computer expert for this agency. He actually uses a rod in his mouth to work on the computer, and this person is very willing and able and excited about working. He isn't sitting at home all day. He's out in the community. The opportunities are there to work. The opportunities are there to go out into society. He's not locked away in some isolated area, and that's what I see in this preamble.

I see the opportunity for people with disabilities to look at what they can do, not what they can't do, and to get those things that are necessary to get them out in society. I have seen this work. I think it's a very worthwhile cause. I think people have the opportunity to try, and we have to encourage that, so I would not support this amendment, sir.

MR. DICKSON: Mr. Chairman, I was listening to our friend from

Calgary-Bow, and she was speaking to everything but the amendment. The amendment accepts those "whereas" provisions right down to the last one, so everything the Member for Calgary-Bow said is not in any way adverse to what's being advanced in the amendment. The issue comes down to what I suggest is the most absurd, most offensive, most insulting provision I've seen in a statute in a very long time. I cannot believe that the government would put this kind of a clause in the preamble.

You know, my colleague from Edmonton-Riverview is right. You look through the *Statutes of Alberta* for another provision where we require some other group's interest to be balanced against "accountability to the taxpayers of Alberta." Is it in the Alberta Opportunity Fund Act? No. Is it in the Agricultural Societies Act? No. Is it in the Alberta Research Council Act? In the Ambulance Services Act? We can go through a very long list of statutes – I'd expect there would be 300 or 400 statutes – and in no other provision do you have such an offensive element.

9:40

Now, the second thing is that when I first looked at this bill in the preamble section, I thought I was back in 1950. Mr. Chairman, the contemporary way of drafting statutes is that you put an object clause in the bill that specifically outlines what the object of the statute is. These whereas clauses – I think my colleague is too modest in her amendment. I don't know what draftsman came up with this verbiage, but this notion of a preamble, as I say, is passe and stale. It's not what I see in the statutes that come forward. Let's have a proper object clause, and if we had a proper object clause, the offensive paragraph that would come out in this amendment clearly wouldn't be there, because it wouldn't serve appropriate purpose.

But I'll tell you that it serves one very useful purpose. It points out – and I mean this in a collective way because I know there are members of the government caucus that are as compassionate as any people I've ever met. But when I see this, I think back to the infamous bill to suspend the rights of sexual sterilization victims. I think of a host of bills. I see underfunding in the area of special-needs students. I see a province that wouldn't amend their human rights legislation in the way that the Jack O'Neill sponsored task force, the Equal in Dignity report, represented. All of these things are consistent with a government that frankly does not respect the rights of, in this case, people with a particular handicap.

So I'm happy to support the amendment. The amazing thing – and I want to give the benefit of the doubt to our friend from Calgary-Bow. She was so focused on the first four clauses in the preamble that she chose not to read the fifth clause, and I hope when she reads that final clause, she'll be as offended and insulted by it as I am and as I think her constituents would be.

Thank you, Mr. Chairman.

[Motion on amendment A5 lost]

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

MRS. SLOAN: Thanks, Mr. Chairman. We have many to go. You know, I'm really just warming up. Of course, I used to just go to work at 8 o'clock, and I'd work till 8 in the morning. So this is like morning to me.

I've been inspired. I was really inspired by the remarks made by our Speaker last week, and I've taken it upon myself to do a bit of light reading in between our debates in the Assembly. There's some very good books down in the library with respect to . . .

THE ACTING CHAIRMAN: Hon. member, are you introducing an amendment?

MRS. SLOAN: I'm working up to it.

THE ACTING CHAIRMAN: Could you introduce it before you debate, please? Thank you.

MRS. SLOAN: All right. Has it been distributed?

THE ACTING CHAIRMAN: Please, introduce the amendment.

MRS. SLOAN: All right. I'd like to introduce A6, Mr. Chairman.

THE ACTING CHAIRMAN: Thank you.

MRS. SLOAN: I'll wait for it to be distributed and then provide . . . [interjection] Oh, it has been distributed. Thank you.

Some of the reference books in the library are very insightful and provide lots of wit and sarcasm and grist, if you will, for our debates, and I'll provide some of those insights as we proceed with the debate.

Now, the amendment before us speaks to another section of the bill that again has left the definition of an integral part of this act to regulation. Now, don't ask me why that is, because we're speaking about children, and this is something that we've heard quite frequently in the Assembly and outside the Assembly in the last few weeks, that this government is supposedly very alive to the needs of children. However, when they drafted up the AISH Act, they didn't believe it was important enough to define what a dependent child would be but rather that that definition would be made in regulations.

Mr. Chairman, what we have is a situation where, again, if a narrow measuring stick were to be used, it might be that the cabinet might determine that a dependent child was under the age of 18. In essence what that would do: if you had a client who was disabled and rightly deserving to receive AISH and they had a child who was of adult age but also dependent for some reason, that could be exempt. We don't know this evening in fact what the government's intent was with respect to defining "dependent child." We are in a position to only be able to guess, because that is something that the Minister of Family and Social Services at some point, I would expect, between now and October 1, when he's proposing this act to be in effect, would take a recommendation to the cabinet and say: I'm suggesting that "dependent child" should be defined as this.

Really, yet again, Mr. Chairman, the public and those directly impacted are not going to be consulted. They're not going to have the ability to identify if there are any exemptions or any particular areas where certain multiple circumstances might exist where the government's definition would not assist but rather would compromise the livelihood and the quality of life of that individual and their dependent child.

We know right now that there are thousands of people on AISH that are living in poverty. Some of them have dependent children. We know that there are thousands of people who are living on SFI in this province, and they are also living in poverty with children. I've heard the minister responsible for children's services and the Premier say that they're alive to the needs of children and they want to do good when it comes to establishing programs for children in this province and filling the gaps.

I really haven't seen any evidence of that, and when I look at the gaps that they're creating, not only are they not filling the gaps that exist; they're creating more gaps when they propose a bill that leaves

the definition of dependent child to regulations. Why compromise that livelihood, Mr. Chairman? It is an area that would be very, very simple.

Again, as I reviewed the government's consultation, it is not something that there was a direct question asked about. If I recall correctly, I don't believe that a question of age or a question about how the individual was supporting any dependent children was asked. That was not asked. In fact, just reflecting back on that, there were only 7 percent of the respondents that had had experience with a person with a disability in their household that responded to the government's survey. So not only were they not in a position to have any firsthand knowledge, but there was a minuscule few that even knew someone with a disability, let alone someone with a disability that had a dependent child. So the rationale for not defining this, particularly when the government didn't consult the public in this respect, is really beyond my grasp this evening, Mr. Chairman.

9:50

In the consultation there were areas that were defined by our respondents, citizens of this province, that they felt were of importance. The top three related to benefits review, flexibility, and eligibility requirements. Both flexibility and eligibility would be impacted by how this area of the act would be defined. In those top three issues we had about 50 percent of our respondents saying that these are top areas of concern.

In that respect, Mr. Chairman, it would seem that we would be striving for some transparency and establishing for people exactly what entitlements will be afforded to people who have dependents, whether they're dependent children or not. There are certainly circumstances where an AISH recipient might have a parent who becomes dependent, and in that area I'm not exactly sure how this act would apply. I don't believe that as I have read the act, it really even contemplates that. It does contemplate the dependent child, granted only in a very initial way, but it doesn't provide for those other scenarios. I guess my conclusion is that yet again it'll be something that will be contemplated in regulation if a problem is encountered.

MR. DICKSON: Or a remedial statute next year.

MRS. SLOAN: Yes. Regrettably, that seems to be a common practice. I've experienced it already in my two years in this Legislature where we pass a bill in one session of the Legislature and sometimes in a session that very same year the bill comes back for amendment. It's unfortunate, because some of that repetition could be eliminated if the government just accepted the goodwill of the opposition and endorsed the amendments proposed.

Thank you, Mr. Chairman.

THE ACTING CHAIRMAN: The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Chairman. Just briefly with respect to the amendment. I won't go on at length. The amendment deals with the definition of "dependent child" and in fact narrows the ability to include in the definition of "dependent child" a child under the age of 18.

Under the provisions of the act as it stands now, the definition of "dependent child" can in fact be defined by regulation much more broadly than that and could possibly include a child who was attending postsecondary education, for example, might include a child who was in fact disabled himself or herself, or a child who's still in high school at age 19. There may be many circumstances

that you'd want to include in the definition of "dependent child."

Again, as my comments earlier, there are some things that are best left to regulations to allow you the flexibility to change the definition, where it may be appropriate to do so, when circumstances come up. So for that reason I would oppose the amendment.

[Motion on amendment A6 lost]

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

MRS. SLOAN: Thank you, Mr. Chairman. Well, A7, my seventh amendment this evening, is the most substantive one thus far. It has been circulated, so I will read it into the record. I move that Bill 32 be amended as follows. Part A: Section 5(d) is amended in the proposed section 4(5.1) by striking out "to a third party if payment to the third party" and substituting "to a financial administrator, as defined in Section 10, if payment to that person."

Part B: Section 10(a) is struck out, and the following is substituted: (a) by renumbering subsection (1) as subsection (1.1) and adding the following before subsection (1.1)

- (1) In this section, "financial administrator" means
 - (a) a trustee, or
 - (b) a person who is qualified to administer financial affairs and who has been recommended by the family member responsible for the care of a person who receives or is entitled to receive a handicap benefit.

(a.1) in subsection (1.1) by striking out "trustee to ensure that the handicap benefit" and substituting "financial administrator to administer all or part of the person's handicap benefit for the purposes of ensuring that it".

Part C: the following is added after section 10(b): (c) in subsections (2) and (3) by striking out "subsection (1)" and substituting "subsection (1.1)."

Now, this area is of particular concern. Again, it is intended that we need to make clear to the recipients of AISH either now or in the future what in fact a financial administrator means. As the act is currently proposed, we do not have a definition for financial administrator. The section which we are amending basically just uses the term. There's no citation of what the qualifications of that person would be. Would they in fact be a chartered accountant? Would they have an expertise with respect to the management of assets? It doesn't address the fundamental component of this change in that it removes "trustee" from the act.

By introducing this amendment this evening, Mr. Chairman, we're clearly stating on the record and stating publicly for Albertans that "financial administrator" means a "trustee" and means

a person who is qualified to administer financial affairs [also very important] and who has been recommended by the family member responsible for the care of a person who receives or is entitled to receive a handicap benefit.

One of the other aspects of the changes in the government's bill currently is that by removing all of the references to trustee and inserting the title "financial administrator" – the financial administrator could be an employee of the Crown, and it could by that change make that person no longer an advocate or an adviser on behalf of the AISH client but rather someone who is going to review and make decisions on the basis of the government's policy, the government's mandate, and the government's directions in the program.

So those are very important clarifications that should have been made in the initial bill. They were not. They have a chance to do what's right and to make those things clear to Albertans, to make it clear that in the future application of this program the persons who

will be dealing directly with AISH recipients' assets, their financial holdings, their belongings of value, those individuals will in fact be untethered from government.

That, in my opinion, is fundamental, and I would urge all members of the Assembly to vote in favour of the amendment. Thank you.

[Motion on amendment A7 lost]

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

10:00

MRS. SLOAN: Thank you, Mr. Chairman. My eighth amendment this evening is proposed. It's a very interesting section. It seems to be one of the themes that's been going through our different debates in the Assembly in the course of this session, and it has to do with the definition of "spouse." Now, as the bill is currently proposed in section 4, spouse is quoted to mean: "a spouse as defined in the regulations." Again, it's curious to me that we need to leave that to regulations. However, the potential is that we could have some inconsistencies in terms of how that's defined. We've seen amendments with the Domestic Relations Act that have contemplated the same area. There are considerations within the pension amendments before us in a similar vein.

Mr. Chairman, I will read the amendment into the record: that Bill 32 be amended in section 4(c) in the proposed section 1 by striking out clause (h) and substituting the following:

- (h) "spouse" means
 - (1) a person who is married to a person who has applied for or has received a handicap benefit, and
 - (2) a person living in a common law relationship with a person who has applied for or has received a handicap benefit.

Now, this would intend, Mr. Chairman, that spouse be defined consistently and in a similar sense, too, as it is defined in the domestic relations bill as proposed and before the Assembly in debate.

[Mr. Tannas in the chair]

Without the amendment, really what we're contemplating is that heterosexual couples could be subject to reverse discrimination in fact, because in essence Bill 32 as it currently stands says that where one of the members of a heterosexual couple is applying for AISH, their spouse's assets would be considered, but if a person was in a same-sex relationship or perhaps living in a common-law relationship, the partner in those relationships would not be subject to having their assets considered under the asset changes in the act.

So it's sort of an odd position to be in, but in fact in this case the government seems to have their ducks out of line in contrast to how they were lined up in other legislation.

MR. DICKSON: Maybe missing a few ducks too.

MRS. SLOAN: And they could very well be just missing some ducks.

So this is intended again to provide clarity, to provide an equitable application of the act, and for those reasons, Mr. Chairman, I'm pleased to move that motion for amendment this evening.

[Motion on amendment A8 lost]

MRS. SLOAN: Very strange.

I am pleased, Mr. Chairman, to introduce my next amendment, A9. A9 reads as follows: that Bill 32 be amended in section 5(c) in the proposed section 4 by striking out subsection (3) and substituting the following:

- (3) Notwithstanding subsection (2), a person is not eligible to receive a handicap benefit under this Act if
- a) the person receives or is qualified to receive a monthly old age pension under Part 1 of the Old Age Security Act (Canada), and
 - b) that person has attained the age of 65 years.

Now, members of the Assembly may not be aware that currently if a person is on welfare in Alberta, when they turn 60, they must apply for old age security. It's sort of Alberta's way of unceremoniously dumping them off the welfare caseload and basically passing on the burden, which would be how the government might refer to it, of responsibility to the federal government to support them in their retirement years.

Basically Bill 32 proposes that AISH would become the same way, that at age 60 a recipient of AISH would have to apply for old age security. Now, of course that's early. Normally you wouldn't be applying for old age security until you were approaching 65. Basically what happens, then, is that if you've applied early, as is the case in welfare, and you live to be 70 years of age, you receive reduced old age security because you've applied early. For that reason they're distinctly disadvantaged.

The same would be true for AISH. If a person – and the bill proposes that this would be a requirement – reaches the age of 60, they must apply for old age security. They live to be 70, 75 and all of a sudden their benefits are going to be reduced because they've applied years earlier than they actually should have. That's not something, either in welfare or as it's proposed in AISH, that is a decision of choice by that person. The programs require them to do that. Therefore, we believe it's inherently unfair and cruel to make that a condition of welfare. It is as cruel to make it a requirement of AISH.

In that respect, Mr. Chairman, again the amendments are offered in good faith. It's with hope that the government would take it upon themselves to support the amendment this evening.

Thank you.

[Motion on amendment A9 lost]

MRS. SLOAN: Thanks, Mr. Chairman. Well, we're about half way through the amendments. I hope that's encouraging to people this evening.

The next amendment proposed for this evening is A10. That amendment reads as follows: that Bill 32 be amended in section 6 in a proposed section 5.4(1) by adding "as determined by 2 financial advisors who are not employees of the Crown" after "its fair market value".

This amendment, Mr. Chairman, is very simple. Again, it is to embody the independence of assessment in the bill. The decision would be made again by the director.

THE CHAIRMAN: Excuse me, Edmonton-Riverview. I'm not sure that we're on the same amendment. So if we could just check that. Would you read that back again to me, because I've got Bill 32 amending section 5.3.

MRS. SLOAN: 5.4(1).

THE CHAIRMAN: No. That's what I thought. The table and you are not in sync here.

MRS. SLOAN: All right. Thank you.

THE CHAIRMAN: This is amendment A10?

10:10

MRS. SLOAN: Okay. So A10 is section 5.3, by striking out clause (a) and substituting the following . . .

THE CHAIRMAN: Yes. So start again, hon. member.

MRS. SLOAN: All right. Thank you, Mr. Chairman. I'll reread that amendment into the record. I move that Bill 32 be amended in section 6 in the proposed section 5.1 by striking out clause (a) and substituting the following:

- (a) a principle residence, of any value, where the person who applies for or receives a handicap benefit resides for the majority of days in a 12 month period.

THE CHAIRMAN: The one that I have, A10, says "proposed section 5.3," not 5.1 and has nothing similar to what you're talking about now. So perhaps we should just take a moment's break and see if we can get on the same wave length that you are.

MRS. SLOAN: I think we're on the same amendment.

THE CHAIRMAN: All we have to do is agree.
Edmonton-Riverview.

MRS. SLOAN: Thank you, Mr. Chairman. I'm going to assume that the amendment is in the record as it's been moved, A10. Would you like me to read it again?

THE CHAIRMAN: We're dealing with section 5.3.

MRS. SLOAN: That's correct. We're striking out clause (a) and substituting:

- (a) a principal residence, of any value, where the person who applies for or receives a handicap benefit resides for the majority of days in a 12 month period.

THE CHAIRMAN: We're in sync.

MRS. SLOAN: Now we're squared.

In this particular section, Mr. Chairman, currently the director may require that the assets be exempt. The director, as the bill currently reads, must not include their value in calculations under 4 or 5. In this section, as it's currently written, (a) is "a principle residence within the meaning of regulations," and it is our intent that the definition of a principle residence should not be left to regulation but rather that it should be defined as the place where the person resides for the majority of days in a 12-month period.

Again, it's difficult to interpret. We don't know what the intentions or the policies of the department might be in the future in this respect. This affords the public the ability to know exactly what that term will mean.

Thank you.

[Motion on amendment A10 lost]

MRS. SLOAN: Mr. Chairman, I'm pleased to introduce my 11th amendment, that Bill 32 be amended in section 6 in the proposed section 5.3 by striking out clause (b) and substituting the following:

- (b) one vehicle, regardless of value, that is adapted to accommodate the handicap of the person who applies for or receives a handicap benefit.

Again, Mr. Chairman, as the bill is currently proposed, this section is left to regulations, and the description of the vehicle as the act is written currently is not clear. If a lawyer, a respective recipient of AISH was looking at this bill and its application, they would not be afforded the clarity of how this is defined. So it's our desire to make that clear in this respect. I would suggest that, again, it is something which would afford the government more transparency if they were compelled to support it.

Thank you very much.

[Motion on amendment A11 lost]

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

MRS. SLOAN: Thank you, Mr. Chairman. My 12th amendment . . .

THE CHAIRMAN: Can I interrupt you for a moment? We don't appear to have that yet.

MRS. SLOAN: All right. Here it is. My apologies, Mr. Chairman. It's coming. I'll speak generally while it's being circulated.

Again, the intent is to provide clarity, Mr. Chairman. As I've indicated in the two previous amendments, there are a number of particular areas in this section of the act that are left to regulations. The current section reads:

Where the Director, in calculating under section 4 or 5.2 the value of the assets of a person and the person's spouse, determines that, in the opinion of the Director, an asset has been given, transferred or otherwise disposed of to another person for less than its fair market value for the purpose of establishing or maintaining a person's eligibility for a handicap benefit, the Director shall deem the asset to be owned by the person or the person's spouse, as the case may be.

The intent of the amendment, Mr. Chairman, is to make that determination of value. That determination would be made "by 2 financial advisors who are not employees of the Crown," because again, the director is going to be someone who operates directly under the jurisdiction of the Minister of Family and Social Services. We know that a tight-fisted policy exists with respect to that ministry, and we want to afford these citizens the ability to have the assessment of assets made independent of the government, independent of the policies, and that those would be made such that a fair market value assessment would be achieved. It does reduce the authority of the director, but I think the gain is that the citizens are receiving a more accountable process in their respect.

Thank you.

10:20

THE CHAIRMAN: Are you ready for the question?

The hon. Member for Calgary-Buffalo.

MR. DICKSON: I'm sorry; were you calling the question on the amendment, Mr. Chairman?

THE CHAIRMAN: Yes.

MR. DICKSON: That's fine.

THE CHAIRMAN: There was a member standing, and I didn't know whether the member was wishing to speak to this or not.

MR. DICKSON: All right. That's fine. I'll forgo the chance to speak on this amendment.

Thank you.

[Motion on amendment A12 lost]

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

MRS. SLOAN: Thanks, Mr. Chairman. We are endeavouring to try and provide the further amendments, recognizing that the pages will soon be leaving us. We'll endeavour to get those things to the table right away.

The next amendment is intended to address a particular section of the act that basically is an ambiguous component of the act where currently, depending on why a client was cut off, that client may or may not be considered for rapid reinstatement. Now, we're aware that the minister of social services has attempted to give repetitive reassurances that rapid reinstatement will be a paramount policy, but in fact when you look at the details, Mr. Chairman, it's really not that clear. We want to ensure, again, that there's transparency about how this is going to be applied.

I would read the amendment, then, that Bill 32 be amended in section 11 in the proposed section 13(1) by striking out clause (h) and substituting the following:

(h) respecting the reinstatement of eligibility of persons who received a handicap benefit but became ineligible due to any of the following circumstances:

- (i) an increase in income,
- (ii) an increase in the value of assets, or
- (iii) commencement of employment.

Really, in essence what we're attempting to ensure is that if in fact the person had become ineligible due to any of those circumstances, then reinstatement would be an unquestionable consideration.

I would move amendment A13, Mr. Chairman.

[Motion on amendment A13 lost]

THE CHAIRMAN: Hon. Member for Edmonton-Riverview.

MRS. SLOAN: Thank you, Mr. Chairman. I am pleased to move amendment A14. I believe that one is in the process of being distributed. Yes? Thank you.

I move that Bill 32 be amended in section 11 in the proposed section 13(1)(b) by adding "continued and future" after "determining the person's." Now, this is referenced to the eligibility section of the act and, specifically, to the eligibility in terms of the definition of eligibility. We again are attempting to ensure by this amendment that there is transparency. As the government is aware, this section speaks about the determination of that eligibility by regulation.

Now, the bill as it currently reads makes the inference that the eligibility will be determined by regulation, and we want to clarify that "continued and future" is a component of that and in that respect, Mr. Chairman, thereby allow the applicants of AISH to have that security in consideration of this section.

Thank you.

[Motion on amendment A14 lost]

MRS. SLOAN: Mr. Chairman, I would move amendment A15 this evening, and I will read it into the record. I move that Bill 32 be amended in section 11 in the proposed section 13(1)(e) by adding "under section 5.3 and the regulations" after "that is exempt."

Now, this section is the same section that we were dealing with in the previous amendment, which the opposition supports amending to provide for that transparency. Here in this particular area, 13(1)(e), the current section reads: "respecting the requirements and procedures for conversion of an asset that is not exempt to an asset that is exempt." Again, that is something, Mr. Chairman, that's going to be determined by regulation. We would like to add to that

section "under section 5.3 and the regulations." We're adding that after the words "that is exempt," thereby ensuring that the application of the section is going to be linked to 5.3 in this respect.

So with those thoughts, Mr. Chairman, I am hopeful that we'll receive the support of the Assembly and my own caucus on this amendment. Thank you.

[Motion on amendment A15 lost]

MRS. SLOAN: Well, we're being consistent, Mr. Chairman.

Amendment A16. I move that Bill 32 be amended in section 11 in the proposed section 13(1)(f) by adding "of a person or that person's spouse" after "ownership of trust." Now, again in this particular area, Mr. Chairman, we are speaking about regulations, particularly the power of the director to deem income from or ownership of trust. So the amendment in effect would cause this to read "respecting the power of the Director to deem income from or ownership of a trust of a person or that person's spouse."

10:30

In speaking back to those comments that I made earlier, we view it as being important that the act respect the ability for a person or that person's spouse to receive income from that trust. As the bill is currently proposed, the clarity as to how that would apply both to the recipient and whether or not the spouse of the recipient is a consideration is not clear, so this would provide that additional clarification, Mr. Chairman.

Thank you.

[Motion on amendment A16 lost]

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

MRS. SLOAN: Thank you, Mr. Chairman. I would like to move my 17th amendment to Bill 32. I move that the bill be amended in section 13 in the proposed section 15(1) by striking out "one year" and substituting "six months."

Now, in this section, which is in the latter part of the bill, we are talking about the requirements that the director must begin a review of this act within five years and, in this particular section, that the director would have a period of one year to submit it to the minister. Having commissioned a few reports, I don't think there's any excuse for someone needing a year to compile a review and make that submission to the minister. In fact, I think the record of the government is such that there is undue and unnecessary delay, many times, in the submission of reports and the tabling of those reports publicly in the Assembly. Really what this clause in the act does now is just allow for further delay and extension of that. I think the six months is more than sufficient time for a review to be completed, for that report to be made to the minister, and for the minister then to forthwith table the report in the Assembly.

Thank you.

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

MR. DICKSON: If there are no government members that wish to follow up, there certainly are some comments I wanted to make about this. You know, this is an area where, when you think about it, there's this five-year opportunity for people to determine how this act is working. One would think they would have identified in the course of that review a number of concerns. Frankly, I wish it were not the director doing the review but a select special committee of the Legislature. There are other vehicles that could have been

selected, but my colleague for Edmonton-Riverview I think has offered a very conservative amendment which I don't think anyone could find fault with because it's totally within the control of the director of a department to decide what this review is going to embrace.

When we look at the sorry history in this Legislature in recent years of reports that have been done that take such a long time to see action on, I think frankly this sole of a shoe to the seat of the pants kind of amendment we're offered here might in fact expedite the process. We're talking about some of the most vulnerable people in the province of Alberta. If there were any group that would warrant an accelerated time from end of review until the report being produced, this is it.

This is an in-house thing. This is what I find so perplexing. It's not a select special committee. It's not some independent agency. This is a group of people that works for the Minister of Family and Social Services. Why would they need an entire year to complete the review? One would hope the minister, if he were on his toes and doing his job, would be monitoring concerns on an ongoing basis. Because it's an in-house review, there's absolutely no justification for the length of time that's required. So I appreciate that my colleague from Edmonton-Riverview has come forward and suggested a way of reducing that to six months.

You know, it also does something else, Mr. Chairman. I think it sends a powerful signal to those people working in the carrels and the desks of the Department of Family and Social Services that the Legislature wants to see that report, that it's important that it come into the Legislature as quickly as possible.

I thought there might be one other reason why some government members may be inclined to resist, and that is that I've always had the suspicion that this government would really like to operate like the Montana legislature. Their notion is that you elect a handful of extremely wealthy people who are prepared to work for, in some cases, next to a dollar a year. They come together for I think about a month and a half out of 12. That may have changed, Mr. Chairman, but it was amazing when I talked to one of these Montana legislators: a very radically different perspective on elected representation.

It may be that some members opposite would like to emulate the Montana model. Not to suggest that we need go to the other extreme. We don't have to sit for 260 days a year, but we can certainly do better than 46, 47, or 50 days in an entire year. There are plenty of questions to be asked. The Provincial Treasurer alone could justify probably 40 days a year of rigorous questioning on his activities and his departmental activities. Advanced Education could be another 25 days. In any event, I'm getting a bit far afield, Mr. Chairman. I guess I just had to unburden myself of those concerns about timeliness of reports.

Seriously, I think this is a valuable amendment. In fact, as I think about it, I wish this were an external review. But it's not. It's an internal review. So let's at least make sure it's done and reported as quickly as possible. Six months should afford ample time to be able to do that, Mr. Chairman, so I'm happy to support the amendment. From looking around and seeing the eagerness on the faces of many, I think there's going to be a number anxious to rise to their feet on this one.

Thank you very much.

[Motion on amendment A17 lost]

MRS. SLOAN: Mr. Chairman, so much for swift accountability in the government of Alberta, or any accountability for that matter.

10:40

In my 18th amendment this evening, I move that Bill 32 be amended in section 13 in the proposed section 15(1) by striking out "5 years" and substituting "2 years." Now, this is yet another stone in my arsenal with respect to this government's lack of accountability. They are proposing that fundamental changes to a program be made, and there won't be a review for five years even when some of those changes are going to have a direct effect on the assets, the eligibilities, the powers of the director to narrow, potentially, the application of people to AISH. They're going to make all those changes, Mr. Chairman, and then they're going to wait five years to do an assessment.

Well, as we saw in the welfare reforms this government imposed in the early '90s, in five years' time the most vulnerable had left the province. Then when an examination was done independent of government as to where all those people went, it was very difficult to establish where in fact they left to go to. Many did go to other provinces, because they could find the basic supports to live in those provinces that they could not find in Alberta. But in five years' time, Mr. Chairman, I would suggest to you that if the nature of the reforms is as harsh in some areas as I believe it may be, we are going to see a component of the population of our disabled population that's going to say: to heck with this province; advantaged or not, I don't care to live in a society that chooses not to extend entitlements to assist or only chooses to extend those entitlements if I attempt to work even though it may not be in my physical or psychological or mental interests, or in the interests of my well-being, to be attempting to work on a daily basis.

In essence, the changes that are being proposed are making that employability a fundamental plank in this program, and regardless of whether someone's disability is incapacitating on a daily basis, a weekly basis, or a permanent basis, there's going to be an expectation in both overt and subtle forms that people on AISH will attempt to find employment. Many want to, and many will be willing to go that route, Mr. Chairman, but I've spoken to many people on AISH who suffer from conditions that render them on some days almost completely incapacitated, and on other days they appear and function quite normally. It's very difficult, I would suggest, for employers to modify their needs, their workplaces, or their requirements to incorporate that fluctuation in functioning.

I don't understand why we would need to take five years. Maybe the government was looking at their election schedule and thought: "Well, if we do this right before the next election, we won't have to do it again until 2005 roughly. By that time we should have another election under our belt." You know, it'll be a case of keeping the public in the dark, so to speak, about exactly how these changes have affected the citizens who need them most directly.

I think a two-year proposal is a reasonable one. Again, it's a much, much more timely assessment process that I think could be incorporated. If you think about it, all rumours suggest probably an election next year, so the review wouldn't be happening until the year after that. There really doesn't need to be any reservation about having this kind of review public. Two years certainly is going to well establish how the changes in the programs affect the AISH recipients. If the government is alive to their needs and the effect the changes may have detrimentally to them, I would suggest they want to do it in a timely fashion.

We have many public offices: the office of the Ombudsman, the office of the Auditor General. I can't say the office of the Children's Advocate because I haven't seen a report of that office tabled for as long as I've been in the Legislature, Mr. Chairman. It is fairly common that the Auditor General and the Ombudsman report on an annual basis, and I would suggest that the Minister of Family and

Social Services with respect to the AISH review should follow that similar pattern. If that were the case, I think he'd receive the support of citizens in that regard.

The proposed review time, again, was not something the government talked to Albertans about. It wasn't a question in the survey. It wasn't a question, to my knowledge, in the consultations. So the rationale or justification is not there. I think, Mr. Chairman, that we are in a position tonight to do that, to make it such that we can truly understand what these changes will bring, and in that hope, I'm pleased to conclude my remarks.

Thank you.

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

MR. DICKSON: Thanks very much, Mr. Chairman. On this amendment I have a couple of things I want to reflect on. You know, the other night we decided on Bill 37, the Freedom of Information and Protection of Privacy Act, that we were going to review that act not in five years but in three years to see how it was working. Why was that? Because the cities, the municipalities, the universities, the colleges, the local government bodies wanted an opportunity to have some input in terms of how this new act was going to work as it rolled out.

Now, how is it that we think it's important enough that we respond to the concerns of the city of Calgary, that does not lack for effective advocates? The Leader of the Official Opposition has been accused of being the best advocate the city of Calgary has. True as that is, I mean the point is, those cities have other ways of getting the government's ear. The people who are on AISH don't have that opportunity. So if we were looking for some kind of corresponding parody – if the city of Calgary can't wait five years to be able to have input on changes to FOIP, how is it that we say to people on AISH, arguably one of the most vulnerable groups of Albertans, that they can wait five years until we see how this impacts?

The other point I wanted to make, Mr. Chairman, with as much emphasis as I can at practically 11 o'clock at night, is that it is fundamentally important, I think, that we recognize there have been 17 solid amendments that have come before this Assembly this evening, 17 amendments I was proud to vote for.

You know something, Mr. Chairman? When you spend some time as a lawyer in the courtroom, you spend a lot of time reading the cues on the face of the judge. You spend a lot of time studying that judge because you're trying to find out whether you're going uphill or you're going downhill. I want you to know, Mr. Chairman, not that I have any particular expertise, but I've had experience in this area, and I've been studying the faces of members. I have seen wincing, I have seen squirming, and I have seen acute discomfort as we've been dealing with amendments. It's a kind of discomfort that comes from people that hear a good argument and recognize in their heart of hearts that it's a darn solid argument, but they're handcuffed by their whips. They're handcuffed by this rigid party discipline, and they can't do what their constituents would want them to do.

So I say on this amendment, hon. members, through the chair: let's recognize that this is your last chance for all of us to redeem ourselves for having nixed 17 excellent amendments. In this one vote at least we can say: we may have screwed up tonight, we may have made a colossal mistake by defeating 17 excellent amendments, but, by gosh, we're going to allow a chance to review it, and we're only going to have to wait two years for that opportunity. Is that too much to ask for? Is this too onerous for the Minister of Family and Social Services, too onerous that he can't put his little handpicked group of people in his own department for pete's sake? This isn't a group of outside experts. These are people collecting a paycheque from the Minister of Family and Social Services.

10:50

So, Mr. Chairman, this is an amendment that seems to me – you know, on this bill we've hardly begun to debate in this Assembly. I look here at bills in this Assembly. You know, on this particular Bill 32 we came in having debated only 2.97 hours on a bill that is going to be one of the most significant bills in the lives of 23,000 people in Alberta who are currently on AISH and several thousand more who are medically recognized as requiring it but can't get it. They meet the medical test, but they can't get it.

So we've added to the 2.97 hours – what? – an hour and a half we've spent on this? We started about 8:30, and here we are almost at 11 o'clock. So this is not very much time, hon. members. Let's at least signal to these 23,000 people that we are sufficiently concerned about their needs that we're not going to wait five years, that we're going to move in two years to review to find out whether this program is working, and if not, why not, and then take remedial action. I think we have an obligation to do that.

We've turned down darn good amendments tonight. Here's a face-saving way to back into some of those good amendments: by deferring them two years, which is hurtful but better than delaying them five years. So I urge all members to support this particular amendment, Mr. Chairman.

Thank you very much.

THE CHAIRMAN: Are you ready for the question? We have for our consideration amendment A18 to Bill 32 as proposed by the hon. Member for Edmonton-Riverview. All those in support of amendment A18, please say aye.

SOME HON. MEMBERS: Aye.

THE CHAIRMAN: Those opposed, please say no.

SOME HON. MEMBERS: No.

THE CHAIRMAN: Defeated.

[Several members rose calling for a division. The division bell was rung at 10:53]

[One minute having elapsed, the committee divided]

[Mr. Tannas in the chair]

For the motion:

Carlson	Nicol	Sloan
Dickson	Olsen	Soetaert
MacDonald	Sapers	White
Massey		

Against the motion:

Boutilier	Fritz	Renner
Broda	Hancock	Shariff
Calahasen	Hierath	Stelmach
Cardinal	Hlady	Stevens
Coutts	Laing	Tarchuk
Day	Langevin	Taylor
Doerksen	McFarland	Woloshyn
Dunford	Melchin	Yankowsky
Evans	Nelson	Zwozdesky
Fischer	Pham	

Totals:	For – 10	Against – 29
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[Motion on amendment A18 lost]

THE CHAIRMAN: I wonder if we might briefly revert to Introduction of Guests? All those in support of that?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed?

The hon. Member for Edmonton-Ellerslie.

head: Introduction of Guests

(reversion)

MS CARLSON: Thank you, Mr. Chairman. I see that we are once again joined by the very dedicated representative of the Canadian Parks and Wilderness Society. He has in fact joined us every evening this week until the House has been adjourned in the early hours of the morning, and he continues here this evening – and it will be late again – hoping that Bill 15, the Natural Heritage Act, will once again come up for debate. I'm hoping, I think, once again in vain. I would ask that Sam Gunsch please stand and receive the traditional warm welcome of this Assembly.

Bill 32

Assured Income for the Severely Handicapped Amendment Act, 1999

(continued)

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

MR. SAPERS: Thank you very much, Mr. Chairman. The Assured Income for the Severely Handicapped Amendment Act, Bill 32. I had a brief opportunity to speak to my concerns regarding this bill earlier in debate, but there was one area that I did not have a chance to speak to, and that was because I was aware my colleague from Edmonton-Riverview was to propose an amendment to deal with this concern. This is a concern that I think is so fundamental and really speaks so much to what may be lacking in the heart and soul of the government when it proposes something like this that I would be doing my constituents a disservice if I did not put this on the record on their behalf.

11:00

Mr. Chairman, when I first read this bill – of course you start right at the very beginning, and section 2 is the preamble. The last clause of the preamble reads:

Whereas the Government of Alberta is committed to balancing the needs of persons who receive handicap benefits with accountability to the taxpayers of Alberta.

Now, I was hoping that the amendment would have received the favour of the House, and of course it didn't. I know that it violates the rules for me to redebate the amendment, but I'm in a quandary because thinking that the persuasive arguments from my colleague would compel the House to do the right thing, I chose to not include my comments earlier at second reading. The fact that this section hasn't been amended now, Mr. Chairman, creates the dilemma.

When the government of Alberta started to put preambles into its legislation, I applauded that. I think that a well-crafted preamble section is a good thing. It helps provide guidance to the citizens. It helps provide guidance to the members of the Legislature. It helps provide guidance to any who would have to be in a position to interpret the will of the Legislature, courts. Preambles, I think, should be a permanent feature of legislation. But I note that there are many bills which provide entitlement programs which don't contain preambles, and in particular many of the health care statutes that make up the law in this province don't contain preambles.

If we were to follow the example of the preamble in Bill 32 and apply that, for example, to the Alberta Health Care Insurance Act or to any of the legislation that speaks to what Albertans may expect from their government, what we would see in one of those bills would be words to the effect of “whereas the government of Alberta would like to provide the minimum amount of medical care necessary that is consistent with protecting the interests of the taxpayers, the following will happen.” That’s what we have in this bill. We have a statement that says right in the preamble so it is paramount that people in Alberta who would otherwise we would believe be entitled to receive income support would only do so as long as the accountability to the taxpayers of Alberta comes first.

Now, I have to be careful going down this road, Mr. Chairman, because I’m not speaking against accountability, and I think that the Official Opposition, this member and my colleagues, have made it very clear where we stand on accountability. In fact, the Treasurer has gone on record actually being complimentary about suggestions that we’ve made regarding performance measures. So I don’t think there can be any debate where we stand on the issue of accountability.

But to insert the concept of accountability in this way in this act is almost sinister. It’s almost sinister, because what it suggests is that what we will do is make the assumption that the people who would otherwise be receiving AISH entitlements, income support, really don’t deserve it, and we’re going to in a miserly, Scrooge-like fashion give them as little as we can while we can still pretend that we’re doing the right thing. But what we’re really doing as a government is we’re going to make sure that we’ve squeezed every penny to make sure that there is absolute certainty that not one of these people is doing anything that could be construed as exceeding survival.

So what this implies, Mr. Chairman, is that the government of Alberta doesn’t believe that men and women who are receiving income support through AISH should be entitled to any recreation: they should be entitled to no expense other than that which is absolutely necessary to put a roof of whatever quality over their head and enough food in their bellies to help them get through to the next day.

Now, I don’t think that that is the hallmark of a compassionate, forward-thinking, modern government. I don’t think that’s good enough for Alberta. I don’t think it’s good enough in this province, with one of the most robust economies on the face of the globe, to be putting a category of citizens into that kind of a position and setting them apart in a way from the rest of the community and saying: we’re going to watch every penny that you spend to make sure you don’t get any enjoyment out of it, because that would mean that somehow we’re not being accountable, and we’re going to make sure that we keep those payments down so low so that we never have to explain to a constituent or a taxpayer that anything other than sustenance is being provided. That’s not leadership, Mr. Chairman.

I find this preamble to be, in my mind, the embodiment of so much of what separates this government from the people of Alberta and so much of what separates this government from what a Liberal government would be. I think that the role of a government is to act in the public good first and foremost. Sometimes that means taking some leadership and standing up to the most strident voices, which aren’t necessarily the majority voices. One of the things I’ve learned is that sometimes the people that are yelling the loudest represent nobody but themselves.

So I would urge the government to think very carefully about what words they choose to insert into preambles, because I think they give away some of their secrets when they use language like this. I think the ugly side of this administration comes through when we see

words like this inserted into the preamble of a bill that is supposed to be designed to provide assurance to some of our most vulnerable citizens.

[The clauses of Bill 32 agreed to]

[Title and preamble agreed to]

THE CHAIRMAN: Shall the bill be reported?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

11:10

Bill 28

Alberta Corporate Tax Amendment Act, 1999

THE CHAIRMAN: Are there any comments, questions, or amendments to be proposed with respect to this act? The hon. Member for Edmonton-Glenora.

MR. SAPERS: Thanks very much, Mr. Chairman. Generally speaking, as I’ve indicated, the Official Opposition is in support of this tax amendment act, and I have had a brief opportunity to discuss it with the Treasurer in the hallways, and his departmental staff have been helpful in providing some information.

Through you to the Treasurer, one of the things that we haven’t received, is the numbers which indicate that this is truly a revenue-neutral change in terms of broadening the base and lowering the rate. We had asked for that information. I’m hopeful that we’ll still get that sometime before this bill leaves committee.

Now, we do have some concerns that I think should be addressed, even though, as I say, in general I support the bill. The application of financial institutions capital tax to Treasury Branches is something that the Treasury Branch is not particularly afraid of in terms of being on a level playing field, but you know, the Treasury Branch is not a bank right now, and any change that comes to the Treasury Branch of course will probably come in the context of a much larger change. I don’t think it’ll just be a change in their tax status. I would suspect that there would be some other issues.

The same is true for credit unions. Credit unions right now pay a maximum of a hundred dollars in terms of a capital tax, and the government has given itself some new flexibility in this bill when it comes to a change in the status of credit unions. One of the issues there of course is that in the MacKay task force and in other places, we’ve seen some recommendations that credit unions perhaps should become chartered institutions. That would change their entire structure in terms of deposit guarantee, capital reserves and hence their taxation status and what it is that they would be taxed on. We have some concern that the government would make this change in status for credit unions but would do so simply by a ministerial order or an order in council.

That causes us some concern because of the credit unions – and I’m not sure I have the numbers exactly right. I believe there are something like 83 credit unions that are still operating in the province of Alberta. I think that their asset base – I’m not even going to venture a guess anymore, but there are credit unions operating in hundreds of communities. There are credit unions that deal with Albertans who in many cases made a specific choice to deal with a credit union because of what they represent: local control, community-based boards, membership equity, all of those things. So the more the government begins to treat credit unions like another bank, unfortunately probably the more credit unions are

going to start behaving like other banks, and I think that might erode the relationship the credit unions have between themselves and their clientele. So I don't think it would be appropriate to change their status for tax purposes by this subordinate procedure. I think it should probably come through full debate and the proposal made here in this Chamber.

So because of those two general concerns, Mr. Chairman, what I would like to do is propose two amendments, and perhaps we can conspire together to call this first amendment A1. The first amendment would be an amendment to the proposed section 97. It would be that "subsection (7) shall not be repealed until public consultation has occurred." I'll have this distributed.

THE CHAIRMAN: Hon. member, do you have the original for the official records?

MR. SAPERS: It might be somewhere in that stack, Mr. Chairman. I know that I've seen the original.

THE CHAIRMAN: Just like the Easter bunny has been here; right? Would you like to move it and read it?

MR. SAPERS: As I was saying, I'd move the following, that Bill 28 be amended in section 16 in proposed section 97 by adding the following after subsection (7): "(7.1) Subsection (7) shall not be repealed until public consultation has occurred."

The purpose of this amendment is to ensure that any decision to increase the capital tax liability of credit unions beyond the current maximum of \$100 per credit union is debated and approved by the Legislative Assembly.

Under the proposed changes outlined in Bill 28, the government could through the proclamation of the repeal section, that being section 97(8), increase the capital tax liability of credit unions. In essence this means that cabinet could simply pass an order in council to proclaim the repeal section without engaging in consultation with stakeholders or receiving the scrutiny of the Legislative Assembly. The Official Opposition supports a level playing field for financial institutions in this province, but we believe fundamental changes to capital tax liability of credit unions should be debated in the Legislative Assembly through the introduction of an act rather than through the use of a cabinet decision.

Mr. Chairman, the Treasurer was recently in Ottawa. We know that because of the photographs of he and his son roller-blading around capitol hill. While he was there, I understand that he made an appearance in front of a group and made a presentation regarding taxation, and depending on which newspaper account you read, he may or may not have had some advice for the Ontario government regarding taxation. But one thing we do know is that this Treasurer is proud of the taxation initiatives that he has taken, and in many cases he's rightfully proud. There are some innovative initiatives. I have some issue with the timing and some issue with the priorities, but that notwithstanding, the Treasurer is certainly staking out a fair bit of ground based on his taxation policies.

I note that the Treasurer is being very public about these taxation policies. For example, we saw I think just yesterday another speculation that the tax relief promised to Albertans in Budget '99 could come sooner than originally anticipated. So certainly there is no hesitation on the part of the Treasurer or this government as a whole to be very public about its proposals for taxes, in fact to be so public, Mr. Chairman, that they'll talk about them over and over and over again, even if it sounds like reannouncing the same old thing. I think really what they're trying to do is just make sure the public is fully informed. I'm certain they're not trying as a government to give

the impression that any tax reform is cumulative and additive.

So with that in mind, knowing the predilection of this government to speak to tax changes and for bringing tax reform forward through the budget and through the throne speech and by introducing taxpayer protection legislation as flagship bills for the government, it just seems to me that it would be consistent for this government to come into the Chamber and say: "We are now going to affect the tax base and rate for Alberta's credit unions. We're going to do this in a way that we think is fair, and we're going to do this in a way that levels the playing field. We're going to do this in a way that doesn't meet with any disagreement from credit unions, and we're going to do this in a way that is really a benefit to the economy." They're so certain of all of these positives, they're prepared to put, I guess it would be, our money where their mouth is. In any case, they're prepared to put it on the line and come in with a bill that the public can see and hear and understand, and they're going to have full debate in the full light of day in the Legislative Assembly of Alberta.

So surprise, surprise, Mr. Chairman, they didn't do that. Instead of moving forward with the potential for tax change on these credit unions, that operate from one corner of this province to another, that have been providing financial services to Albertans with a high degree of certainty for years, this government has chosen to allow itself the luxury of changing the taxation status of these financial institutions in secret, to do so by order in council.

11:20

You know, Mr. Chairman, I could see another amendment coming down the road, an amendment that would say: all regulations out of this act should be referred to the Standing Committee on Law and Regulations. But having been in this Chamber now for about six years and having proposed that kind of amendment to many government bills myself and spoken to that amendment so many times, it's finally beginning to dawn on me that this government doesn't want to see regulations debated by the Standing Committee on Law and Regulations. I don't think they want to see that happen. I don't know why.

Mr. Chairman, we go through this – I guess you'd have to call it a charade – at the beginning of every legislative session. The Government House Leader stands up and with great fanfare – you can almost hear the trumpets blaring – says: now we'd like to move a motion to appoint the following members to the Standing Committee on Law and Regulations, one of the few committees that must exist by law; we're going to appoint this member and that member. Then, you know, they even appoint a chairman. They even appoint a chairman, and then they ignore that chairman and they ignore those hon. members on that committee. Most hurtfully, they ignore me every time I propose that amendment.

So I'm trying to do it differently this time. Instead of proposing that amendment at this point – Parliamentary Counsel, if you'd please note that – I thought I would just look for the one that's really troublesome, well, one of two actually, and bring it forward this way and encourage the government just to, darn it all anyway, do the right thing, to just put all the partisan stuff aside and forget about the rhetoric that surrounds the Standing Committee on Law and Regulations and put it on the table. If they are going to affect the tax status of credit unions in this province, put it in the bill. Don't do it through a subordinate, backdoor process. Don't do it in secret. Don't do it in such a way that would raise people's speculation that something untoward was happening. Put it in the bill. That way we can have public consultation. That way Albertans won't feel hoodwinked.

We're talking about taxes. Even if these are taxes that are paid by a corporate entity, you know who's going to foot the bill, and

particularly with credit unions because it's going to come out of the members' equity or is going to be recovered in the form of service charges or something. Ultimately, even though it's a form of corporate taxation, Mr. Chairman, it's you and me and our neighbours and our constituents who are going to be footing the bill, so let's debate it. Put it in the bill and let's debate it. Let's make sure that there's appropriate public consultation.

So I hope that the government's intent is not to do something that would be so bad that they want it to be done in secret. I hope this doesn't mean that the government has something up their sleeve. I would hope that it was simply an oversight, and this helpful amendment from the opposition is a mechanism to correct the oversight that would allow a debate on taxation to be done in public instead of in private.

So with those very few comments on this amendment, I'll yield the floor to others who may have an opinion on this topic.

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

MS CARLSON: Thank you, Mr. Chairman. I'm speaking in support of this amendment to Bill 28. I'm rather surprised that we don't have the Provincial Treasurer speaking to this amendment and giving us his opinion on the reasons why . . .

MR. DAY: Give me a chance.

MS CARLSON: Don't say: give me a chance. Mr. Chairman, he had an opportunity to get up and speak, and we know that you would have recognized him after my colleague for Edmonton-Glenora because you are always fair and just in recognitions in this House. We would have anticipated nothing less than that. But the Provincial Treasurer sat there with his head down, not choosing to enter into debate at all, which is funny because there he sits with his jacket off, giving the appearance – yes, I'm getting to the amendment – that he is willing and ready to enter into debate and to do some work tonight.

Mr. Chairman, the appearance of moving forward and doing some work has a lot to do with the reason why we need this amendment to this bill. This bill gives the appearance of moving forward and doing something progressive, but when you really get down to the brass tacks of what we see here, in fact we don't think that's really going to happen, just like the Provincial Treasurer wouldn't enter into the debate when it really got down to the deciding issues.

Also, in this bill they won't be taking care of credit unions, Mr. Chairman, so it's left to us to do that job. My colleague has reviewed the information and taken a look and has seen, as he says and as is often the case with this government, that we're going to see decisions being made in secret, behind closed doors, by regulation, not in the open forum where people have an opportunity to debate them. So we're required to bring in this amendment in order to properly represent the concerns of the people of this province and to ensure the long-term viability and level playing field for credit unions in this province.

If we take a look at credit unions in this province, they have provided a very needed and necessary service over the years. Often they're in small communities where the large major banks won't move because the majors just don't see it as a competitive place to be. But the credit unions, with the support of their membership, provide a vital thread throughout many communities, not just small rural communities but also large urban communities. So it's important for us as legislators to ensure that any changes made to their regulations or to how they can conduct their business or to costs associated with their doing business are properly debated in

this Legislature when this Legislature is going to bring forward bills that change the rules. We know from past practices in this government that this government will not do that in a fair and open process. Their choice always is to do it behind closed doors and in secret.

Let's take a look at some examples, Mr. Chairman. What are the kinds of examples that we should look at here in order to see whether or not we should support this amendment? Well, let's take a look at the Treasury Branches, to begin with. If we take a look at the kind of secret dealings that have happened with the Treasury Branches over the last five years, we see that this government is in court over those very issues. So if they were all open and above-board, if they had been debated in the Legislature in an open fashion, which this Premier is always alleging is occurring in this province, then they wouldn't be in court. They wouldn't be faced with question after question here in the Legislature trying to get them to explain their actions over the past few years.

In fact, what they did was decision-making behind closed doors, in secret, where often even their own members of the party didn't know what they were doing, never mind the people of the province or the bank that was affected by those decisions. This could happen to the credit unions, Mr. Chairman. This amendment is an attempt to fix that problem. If we repeal that section until public consultation has occurred, then in fact people will know what's going on when this government decides to change the rules for credit unions.

Where else has this happened? Where else are we concerned that decisions are made behind closed doors and that the modus operandi for this government now is by regulation, not by legislation and public debate? We see that with almost every bill that has come forward this spring session, Mr. Chairman, and Bill 15, the Natural Heritage Act, is absolutely no exception to that. We have seen in the way they're trying to bring these bills forward that all decisions will be made by regulation, which means that we don't have public consultation.

So this amendment requiring public consultation is very important because it sets a new standard for this government. It raises the bar on their performance. We know they're not going to like that because it's going to make them actually accountable, not just give the appearance of that, like the Provincial Treasurer does this evening, looking like he's ready to work and enter into debate. Actually put it into law. Make it a fact. That's what we're asking for. Let them stand up to the plate and be accountable on this. Let them say: yes, we will have a public consultation before section 16 is amended in this particular bill. That would be a fair and reasonable thing to do, and if the Provincial Treasurer wanted to do something besides just give the appearance of doing his job, he would stand up and support this amendment.

Now, it looks like the Provincial Treasurer isn't really concerned at all about this amendment or supporting it, and that's too bad.

THE CHAIRMAN: He's awake though.

MS CARLSON: He's awake. That's a good start.

What he's telling the people in this province, by not entering into debate on this amendment, is that he doesn't really care, that it doesn't really matter what the people want. He's going to do exactly what he wants anyway, which is decisions by regulations, decisions in secret, and decisions behind closed doors.

11:30

When the people who work in the credit unions and the people who have memberships in the credit unions throughout this province, who will be looking at this debate and who will be reading it, see that he refused to rise and enter into debate on this issue, they're

going to be concerned, and they're going to wonder why that was, why he did not have the ability this evening to stand here in this House and debate this amendment. They're going to start to ask questions, Mr. Chairman. This is a very good amendment, and the Provincial Treasurer would not even go on the record in terms of what his position was. I think they're going to be doing more than just being concerned when they see that he doesn't support this amendment or even enter into debate. They're going to start calling him and writing letters and are going to ask for him to explain himself.

He could solve that problem, Mr. Chairman, by just spending a couple of minutes on his feet here this evening in debate, and then people would know exactly what his position was and where he stood and why it was he felt that public consultation wouldn't be required. But, alas, he's not prepared to do that, so he's going to increase his workload once this session is out because people are going to be concerned. I think this may become a topic at the yearly public meetings that the credit unions have, to ask that very question. Why is the Provincial Treasurer of this province so arrogant that he is not even prepared to enter into debate on a motion on an amendment such as we have before us this evening on this bill?

With those few comments I will take my seat and see if he will defend his position on this bill.

MR. DAY: Mr. Chairman, speaking to the amendment which was brought forward by Edmonton-Glenora, which I had intended to do, and I thought I would also address the remarks of Edmonton-Ellerslie, but I can see by her prattling and rattling that she has no comprehension whatsoever of the amendment, of its intent, or of this bill. So I will stick with my original intent and not waste time even trying to communicate to her and communicate to the Member for Edmonton-Glenora that a very clear intent of this provision is to work with the credit unions. Obviously they are in a somewhat unique position in terms of the context and the framework in which they're constituted and the main provisions of this particular act, which is to harmonize with the federal legislation, and also from the point of view of revenue neutrality. So that's clear. I can get the exact numbers in terms of what the tax brings in, but revenue neutrality is the stated goal of this particular act.

As far as the amendment, the only reason I'm not supporting it is because – and I guess time will tell if the Member for Edmonton-Glenora thinks we're serious about this or not – we have to enter into discussion with the credit unions on which way this can best be applied. Obviously their strength is their community membership. The fact that people literally buy into their membership has to be protected and acknowledged. It will be. I don't think we need to encumber this by doing it through legislation. Once we've accomplished this task with the credit unions in a full discussion, the member can decide if we've lived up to that or not, and time will tell on that particular one.

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

MR. SAPERS: Thanks. Well, time will tell, and hindsight is always a good thing. You know, it's always perfect. My comfort level and I believe the comfort level of the men and women who put their trust in credit unions would certainly be heightened if we saw it in the bill. The ongoing discussions with credit unions, I absolutely take the Treasurer at his word. I've heard from members' credit unions who have talked about their desire to have those kinds of discussions as well. I'm certain that those discussions will happen.

But the problem, Mr. Chairman, is that those discussions will likely happen in the Treasurer's office, in the CEO's office of the

credit union, around the boardroom table of a credit union or around the boardroom table of government, which is, of course, the cabinet. These should not be entirely private discussions. That's really the point of the amendment. I'm not challenging the Treasurer in terms of his claim of consultation and the relationship that the government wants to maintain with credit unions, but it's a fundamental difference in approach in terms of where that discussion should take place or at least where that discussion should begin.

I believe that when we're talking about taxes, particularly on the kind of entity that a credit union is, that discussion should take place in the most public way, and that can best be accomplished in this Chamber through making it part of the legislation.

[Motion on amendment A1 lost]

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

MR. SAPERS: Thank you very much, Mr. Chairman. Well, we're going to try again. As I mentioned earlier in my comments, we have a similar concern around the Treasury Branch, but the Treasury Branch is a special case as well. If the credit unions are unique in this province, the Treasury Branch is unique in this country, and we know that it is the intent of government to make some changes in what the Treasury Branch is. What we don't know is what those changes will be. There is all kinds of speculation that the changes will be from selling off Treasury Branches as an operating entity to the highest bidder through public share offering and setting some kind of share value and doing that through an IPO and everything in between. And, of course, we've seen many moves being taken over the years to prepare for a change in status, and of course the most dramatic change was the change a couple of years ago when the ATB was created as a Crown corporation and a board of directors was established.

Bill 28, I believe, is just one more, I'm going to say, baby step – it may prove to be a much bigger step, but at this point I'm going to say baby step – towards the pending privatization or change in status again of the Alberta Treasury Branch. What Bill 28 does is that even though Alberta Treasury Branches are still not required to pay capital taxes, the ATB has been included, subject to proclamation, in the definition of a financial institution for the purpose of the Corporate Tax Act under part 10, Financial Institutions Capital Tax. Now, in effect, this section contained within Bill 28 would see the ATB pay capital taxes when the section is proclaimed into effect in respect of the year specified upon proclamation.

Now, maybe the government has in fact made up its mind about ATB and they just haven't told everybody, and maybe they need to have this part in the act because they've got a time line for whatever changes they've decided and they need it now. But maybe they haven't, and of course we don't know, and the government is not telling us.

Earlier today I heard one of the members say in regard to a private member's bill on the marketing of grain in this province – and I'm paraphrasing; it's not quote. I believe I heard him say words to the effect that the only Crown corporation that was more secret than the CBC was the Wheat Board. Is that a fair representation of his words? What was going through my mind, Mr. Chairman, was he could have completed that thought by saying the ATB, but I digress.

What I'd like to do is propose an amendment to Bill 28 in section 11 by adding the following after clause (a):

- (a.1) Section 93(1)(e.1) shall not come into force pursuant to section 18(2) of this Act until public consultation has occurred.

I'll pause at this point, Mr. Chairman, and have the amendment circulated.

11:40

THE CHAIRMAN: Are you going to move it?

MR. SAPERS: I thought I had moved it. For the record I move as A2 that Bill 28 be amended in section 11 by adding the following after clause (a):

(a.1) Section 93(1)(e.1) shall not come into force pursuant to section 18(2) of this Act until public consultation has occurred.

Now, as I was saying, this relates specifically to Alberta Treasury Branches. The purpose of this amendment is to ensure that any decision to make the Alberta Treasury Branches' capital tax liable is debated and approved by the Legislative Assembly. Currently the Alberta Treasury Branch does not pay capital tax. Under the proposed changes outlined in Bill 28 the Alberta Treasury Branch is included under the definition of a financial institution for the purposes of the act, making it liable for capital tax. This is section 93(1)(e.1)(i).

This section becomes operative upon proclamation. In essence, this means that the cabinet can simply pass an order in council to proclaim the section without engaging in consultation with stakeholders or receiving the scrutiny of the Legislative Assembly. The Official Opposition supports a level playing field for financial institutions in this province, but we believe that fundamental changes to capital tax liability for the Alberta Treasury Branch should be debated through an act rather than through the use of a cabinet decision.

You're probably beginning to detect a bit of a theme here, Mr. Chairman, in terms of these amendments, and I won't use up the time of the Assembly to repeat most of the arguments made about the importance of debating tax policy in public. I could remind the Chamber of the Boston tea party. It's a relationship, a tenuous one perhaps, in terms of taxation without representation, but the point is taxpayers don't like it when you mess with their taxes without talking to them about it first.

This Treasurer has stood in this Assembly and talked about sweat-soaked loonies – and I think he was talking about the dollars collected, Mr. Chairman, and not any of his colleagues – talking about the way in which this government wants to be very parsimonious in how it spends these sweat-soaked loonies. You would also think that he would make it his business to ensure that not a penny more is collected than he needs to do the good work of government and that any changes to the amount of taxes that corporations or individuals pay would just receive the broadest debate. It just all follows. To do anything less would be inconsistent and cause some suspicion.

Now, when it comes to the Alberta Treasury Branch, we have an entirely new aspect of the debate. The Alberta Treasury Branch has become a very political entity. You know, they have found themselves in the media, very high-profile lawsuits, some in which they have instigated the lawsuit, some in which they are being named in lawsuits. We've had the Premier speculate about an all-party committee that would study the future of the Treasury Branch. We've had a recommendation from the Official Opposition that there be an all-party committee. You've had the CEO of the Treasury Branches in a newspaper article a little while ago publicly state that there's a time line for privatization. You've had the Treasurer commission CIBC Wood Gundy to do a report on what the options for the change in status of the Treasury Branch would be. We know that that report has been received by cabinet, if not discussed by the government caucus. But it's the people of Alberta that through all of this seem to be left in the dark.

That's really a shame, because it's the people of Alberta who own

the Treasury Branch. I mean, the government right now is the single shareholder, but the government does that, they have that responsibility on behalf of the people of this province. It's not the government's Treasury Branch; it's the people's Treasury Branch. So when the government begins to rearrange the operations of the Treasury Branch, think about changes to the Treasury Branch, reach inside and direct things that happen to or through the Treasury Branch, it seems to me that, again, that should all be done in public.

There's also, of course, the matter of what the government is going to do about the Treasury Branch's financial involvement with West Edmonton Mall. Now, I don't want to dwell on this issue because I know the minister of advanced education would begin to taunt me if I did. But the fact of the matter is that you can't separate any discussion about the future of the Alberta Treasury Branch and what's happening vis-a-vis the Treasury Branch involvement with West Edmonton Mall. Of course the Liberal opposition, the Official Opposition, has been calling for quite some time now for a public inquiry. Just get that whole issue out of the back rooms and into the daylight and have a public inquiry to deal with West Edmonton Mall. Then with that public inquiry concluded, we wouldn't be waiting for courts; we wouldn't be waiting for much of anything.

Then the government could go to Albertans and say, "Okay; that's behind us. That sorry, sad chapter is behind us." Now, there may be some political consequence for that, but let not that interfere with what should be the fate for the Treasury Branch as a whole. Then we could move on, and we could move on through the form of some kind of public consultation. And maybe, Mr. Chairman, maybe it'll be the form of public consultation that has been suggested and that an all-party committee be struck. Maybe that can be one of the questions the all-party committee would examine, that being the one to do with tax status. Maybe we would be debating whether the Treasury Branch should seek a charter, whether it should be sold, whether there should be an IPO, or whatever. I mean, the government will determine a mandate for the committee. The committee will go and do its work, meet with Albertans, and Albertans will provide the best advice.

Mr. Chairman, first of all, what we're simply asking the government to do is be consistent. Second of all, we're asking them to take these very important decisions out of the back rooms. Thirdly, what we're saying is that this is a helpful way to move the debate along on the future of the Treasury Branch. If the government decides that instead it wants to have this sort of backdoor mechanism for dealing with the taxation status of Treasury Branches, then what it does is it reinforces the message that Albertans aren't being told the whole truth and nothing but the truth regarding the plans the government holds for Treasury Branches. You know, that's a shame, because many individuals and businesses do rely on the Treasury Branch as their financial institution.

Anytime this government does or omits to do something that casts a shadow of doubt over the future of the Treasury Branch, I think it diminishes confidence. The ripple effect of that could be that it's not just a diminishment of the confidence that Albertans would have in the Alberta Treasury Branch but maybe even the confidence Albertans would have in doing business in the province of Alberta.

Now, the Treasurer and I may disagree vociferously about many things, but the one thing we agree on is that we want the best thing for this province. We may have a different opinion about what that best thing is or how to best accomplish it, but I know that this Treasurer does not want to diminish the business climate in this province. I know the Premier doesn't want to diminish the business climate in this province. This member does not want to diminish the business climate either.

I believe that putting this debate into the most public domain will

be a strengthening act, and I would urge the government to accept this amendment to Bill 28.

11:50

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

MS CARLSON: Thank you, Mr. Chairman. I'm happy to rise to support my colleague from Edmonton-Glenora's amendment which deals with: "Section 93(1)(e.1) shall not come into force pursuant to section 18(2) of this Act until public consultation has occurred." While I'm speaking to this amendment, I'll be able to clear up some of the misinformation that the Provincial Treasurer has and in fact perhaps some of his confusion. He seems to be unclear about whether or not I understand what it is we're talking about. I'll just spell it out for him so that clearly he understands it.

With regard to this amendment the purpose of it is in fact to ensure that any decisions made about the ATB capital tax liability are debated and approved here by the Legislative Assembly. So what is capital tax? What it is is a tax on the capital of financial institutes. Let's talk about what that capital base is in this case. Well, previously when we were talking about credit unions, the capital base is the ownership of the individual members. In this amendment when we're talking about the capital base, we're talking about the taxpayers of this province, Mr. Chairman, and I understand that very well. If the Provincial Treasurer doesn't also understand that, then we have to really question his intent in this bill.

So here we have a Provincial Treasurer who over the past few months has tried to lead a race to the bottom, a race to the bottom, as he says, in taxes. Yet what we see happening through this bill and what we are trying to bring out into the public with this amendment are more taxes. Not less taxes, Mr. Chairman, but the ability to assess more taxes, different, no doubt, than the kind of taxes you and I pay on our tax return, but a tax nonetheless and therefore potential for a tax increase, not a tax reduction. So that's a problem for us. What we want in this amendment is that before the Provincial Treasurer can bring in any more backdoor taxes that people in this province have to pay – they have no choice to pay but have to pay – we want there to be public consultation. That's what this amendment asks for.

We want public consultation for lots of reasons, because we want to know why the Provincial Treasurer would be doing this. It looks like as fast as he can race to the bottom in terms of tax reductions on personal tax, he is racing quickly to the top of the pile in terms of user fee taxes and other kinds of alternative tax forms, which this is, an alternative tax form. Why would he be doing this? Well, clearly he needs to do it if the ATBs are going to be privatized, Mr. Chairman, so that's one good reason. In his quick race to tax people through any other alternatives, through more confusing alternatives so that taxpayers who don't have a lot of knowledge in this area can easily be misinformed or learn to live with taxes that are called by names other than taxes, like user fees – we need to have a public debate before that happens.

What would be some of the issues we would talk about if we had a public debate on whether or not the capital tax base could be changed here? Well, we would have a debate, Mr. Chairman, about capital taxes themselves. Why is it, in a province that is always cheerleading our competitiveness on an international level, that Canada itself is almost unique on the globe in terms of having capital taxes? Well, why would that be, when what we know is that capital taxes add directly to Canadian firms' cost of capital and have to be paid regardless of income? That applies to banks as well as it does to business.

A capital tax is a basis for discouraging investment and growth.

Now, Mr. Chairman, you don't have to take our word for this. You can go to the Economics of Bank Taxation in Canada, January 1998 edition, to get confirmation of this. You can see that capital taxes are a disincentive. For this government that likes to fulfill its cheerleading function in terms of alleging to promote business and growth and industry in this province, why in the world would they be wanting increased capital taxes? It seems like that clearly would be a disincentive.

It's a disincentive for companies in a variety of ways, Mr. Chairman. They create an incentive for banks to minimize capital, which is in fact contrary to the regulation requirements that banks maintain strong capital bases. We've seen this happen with the ATBs in the past, and now, without this amendment, the Provincial Treasurer is going to be contributing to a potential erosion of a capital base.

Mr. Chairman, I have a lot of comments that I would like to make on this amendment. I will get back to them, but at this point I would like to adjourn debate.

THE CHAIRMAN: The hon. Member for Edmonton-Ellerslie has moved that we adjourn debate on Bill 28. All those in support of this motion, please say aye.

HON. MEMBERS: Aye.

THE CHAIRMAN: Those opposed, please say no. Carried.

The hon. Deputy Government House Leader.

MR. RENNER: Thank you, Mr. Chairman. I would like to first of all move that the committee report progress on Bill 28 when it rises to report. Do we have to have that motion?

THE CHAIRMAN: Yes.

MR. RENNER: Can I make another motion at the same time, or do I have to do them one at a time?

THE CHAIRMAN: No. Just one.

The hon. Deputy Government House Leader has moved that when the committee rises, we report progress on Bill 28. All in support of this motion, please say aye.

HON. MEMBERS: Aye.

THE CHAIRMAN: Those opposed, please say no. Carried.

The hon. Deputy Government House Leader.

MR. RENNER: I move that the committee do now rise and report.

[Motion carried]

[The Deputy Speaker in the chair]

MR. SHARIFF: Mr. Speaker, the Committee of the Whole has had under consideration certain bills. The committee reports the following: Bill 32. The committee reports the following with some amendments: Bill 30. The committee reports progress on the following: Bill 28. I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

THE DEPUTY SPEAKER: Does the Assembly concur in this report?

HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed? So ordered.

head: Government Bills and Orders

head: Committee of the Whole

[Mr. Tannas in the chair]

THE CHAIRMAN: I'll call the Committee of the Whole back to order. It may be a wonderment to those in the gallery, but the rules are such that we have to report the committee before midnight, and then you may go back into it after midnight.

Bill 28

Alberta Corporate Tax Amendment Act, 1999

(continued)

THE CHAIRMAN: Anyway, the hon. Member for Edmonton-Ellerslie, I believe, has some cogent arguments to present on behalf of A2.

12:00

MS CARLSON: Thank you, Mr. Chairman. I'm happy to come back to continue my debate on this amendment. Just to refresh everybody's memory, we're on Bill 28, and the purpose of this amendment A2 is to ensure that any decision to make the Alberta Treasury Branches capital tax liable is debated and approved by the Legislative Assembly.

Currently the Alberta Treasury Branches do not pay capital taxes. We think the reason why this backdoor tax baron Provincial Treasurer wants this to occur is to facilitate the privatization of the Alberta Treasury Branches. We think that as it stands, this is a bad idea, and while we do support a level playing field for financial institutions in the province, we believe that fundamental changes to the capital tax liability of the Treasury Branches should be debated in the Legislative Assembly through an act rather than through the use of cabinet regulations.

We've had many examples, Mr. Chairman, of why particularly with the Treasury Branches everything this government does with that bank should pass underneath the widest possible microscope and magnifying glass we can find. There has been years and years and years of questionable activity in terms of the government's alleged arm's-length ability to do business with that organization. So do the people of the province trust them to do things behind closed doors with this bank in the future? I don't think so. Even if it's setting it up to be privatized, let's have that debate in public. Let's have the public debate about privatization and about some of those other issues that I was talking about before.

One is that if this amendment is passed, then these are the kinds of debates we can have. We can talk about capital taxes creating incentives for banks to minimize their capital, which is contrary to the regulation requirements that banks maintain strong capital bases. There is lots of documentation for that. Having governments

levying capital taxes discourages an institution from increasing its capital, counter to prudential and regulatory concerns, and reduces the basis by which both income and income taxes are generated.

This is from the Canadian Bankers Association submission to the Standing Senate Committee on Banking, Trade and Commerce, September 1998.

Now, Mr. Chairman, these are publications that have been very recently available. These are publications of debate by the Senate or by organizations who are very concerned about what can happen to banking institutions in this country. They are saying that by

levying capital taxes, we are creating a real, potential problem in this country. But this Provincial Treasurer is quite prepared to completely ignore all those good discussions. They are not even arguments; they're excellent discussions. They're occurring at a very high level. I am sure that the Provincial Treasurer himself has been lobbied with regard to this by the Canadian Bankers Association, and I'm sure that in his frequent roller-blading trips down to Ottawa it's also been a topic of discussion. What it can potentially do is start to destabilize the banking institutions in this country, and that would create a huge problem.

Now, why would this fellow in his race to the bottom in lowering taxes create those kinds of disincentives? Why wouldn't he support this amendment, Mr. Chairman, which would say: just have the open public debate? Let's just have it here. If he wasn't listening when he was in Ottawa, if he wasn't listening when he was lobbied by the variety of groups who have serious concerns about capital taxes and what that does to banks' equity, then why wouldn't he have the debate here? They say all the time that they're open and accountable, but I find this process neither open nor accountable. An open debate means we would have the debate here in the Legislature, in a public forum where everybody could participate. Everybody has an opportunity throughout the province to enter into this debate. That's open.

Accountable means the Provincial Treasurer is prepared to put his proposed regulations through an accountable process. An accountable process, Mr. Chairman, is not regulation behind closed doors. It's legislation in the Legislature, where people can participate in that debate. So we're saying that that's what he should do. If he did that, if this amendment were passed and we had that debate, then one of the things we would talk about too is the potential for companies, when you have a capital tax proposal, to reduce liabilities at year-end or take more extreme measures, such as transferring portfolio investments to foreign corporations or holding business assets in a trust in order to minimize capital taxes.

Now, this comes from McQuillan, Cochrane, Capital Tax Issues, December 1996, applicable to companies, applicable to banks too, Mr. Chairman. If we had a public debate, these are some of the serious issues that we could talk about here. So we need to pass this amendment so we can talk about these kinds of things.

If this amendment were passed, we could talk about large Canadian financial institutions, like all those liable to pay applicable capital taxes – now also going to include the Alberta Treasury Branches for the first time – facing much higher marginal effective tax rates than nonfinancial corporations. Again, this information comes from the Canadian Bankers Association in submission to the House of Commons finance committee in September of 1998. Once again, a very recent submission – if this Provincial Treasurer hasn't read it, his staff would have read it – something that clearly has a lot of merit to it, Mr. Chairman.

I'm wondering why he wouldn't have taken this into consideration when bringing forward this bill. Is the fast-moving train of privatization of ATBs so alluring for this Provincial Treasurer that he refuses to acknowledge any of these serious arguments? Is he willing to put the Treasury Branches, even in a privatized perspective, in a situation that they may not be globally competitive with other institutions? Is that what he's trying to do here? In fact, that is what may be happening if he will not support this amendment.

Let's have the debate, Mr. Chairman. That's all we're asking for. Do it here in an open process rather than behind closed doors through regulations. Let's have him justify on the record to the people of this province why it is that he would allow capital taxes on a financial institution, which hampers its ability to do business and make money. We need to have that debate, and this amendment will

bring that debate forward. There's got to be public consultation.

Then once again because this Treasurer hasn't listened, all of those people who made submissions to the House of Commons finance committee, to the Senate committee who reviewed this information, all of the banking institutions who have reviewed this and said that it has a negative impact not only potentially on the economy but on the stability of the institutes themselves, because of course they're going to want to minimize their tax position – how are they going to do that? By reducing capital at the end of the year. What does that do? It puts them in a position where they can potentially be jeopardizing the regulatory requirements.

Well, is that how we want Canada to be viewed? Do we want them to be globally not competitive? Do we want them to be in a position where they potentially are not meeting regulatory requirements? That destabilizes the whole economy, Mr. Chairman. By not having public consultation, these are the kinds of issues that will never be publicly debated, and that is a serious downside for all the people in the province and potentially for those people in the country.

The right thing to do here, Mr. Chairman, would be for this Provincial Treasurer to stop being the backdoor tax baron, to begin with, and end user fees, end potential increased capital tax burdens on institutes, and open up the process, make it public. That's all we're asking for in this amendment.

So, Mr. Chairman, with those few comments, I would ask for the Provincial Treasurer to support this amendment and become open and accountable in this process.

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

12:10

MR. DICKSON: Thanks very much, Mr. Chairman. I'm happy to join in debate on this amendment. Are we calling it A2?

THE CHAIRMAN: Yes, we are.

MR. DICKSON: Mr. Chairman, we've seen a lot of amendments floating around, and some members' desks are probably much tidier than mine. I sometimes have enough difficulty ensuring I've got the appropriate amendment in front of me at the given time.

We're talking on this amendment about public consultation. I think what makes it particularly significant is that in this province we've seen the government debase the words public consultation. You may ask: how can you debase something as basic as public consultation? Well, you do it by ensuring that your consultation is not so much a genuine effort to elicit the views of Albertans as it is something that – well, a couple of things happen. One is that we just don't do the public consultation. We do a thing that says: government knows best. The other situation is that we do something we pass off as public consultation, but in fact it's hugely engineered and usually leads to predetermined outcomes.

How many times has the Provincial Treasurer gone to Albertans? How many times has he tried to get something that can be represented to be a demand from Albertans that what we have to do is pay off the debt in record time and cut taxes? Each time we do that sort of public consultation and it comes up with an answer that doesn't jibe with the Provincial Treasurer's view of what's important, we see a few months pass and then have another kind of public consultation.

That's not what we're talking about here. This is an amendment which would require a mandatory basis, not permissive, not a thing that you can opt into or that the government can choose to pursue or not. There's a mandatory element to it, and it absolutely requires that there must be a public consultation before 93(1)(e.1) comes into force.

There are a couple of reasons why this is important. I think the most basic one is this. We've seen the government do reports, internal studies on privatization of Alberta Treasury Branches, on divesting itself of the assets of Alberta Treasury Branches. I haven't tried to keep count of all the permutations and combinations of studies and analyses and so on we have done. Mr. Chairman, throughout all of that one can fairly ask: where has there been opportunity for Albertans to register their concern? I think any objective, reasonable observer would have to conclude: precious little opportunity.

What's urged in this amendment is I think a very responsible amendment, and it's one that says: let's ensure that before (e.1) would come into force, there would be public consultation. What's implicit in the amendment, although not expressed in as many words, is that the consultation would be concluded. We can talk about what that public consultation could consist of, and my argument and submission to you, Mr. Chairman, would be that it should be one that isn't so heavily engineered, that isn't so heavily massaged and managed and directed as we've seen with lottery consultations, with health summit consultations, with other kinds of things.

You know, what's disappointing here is that the government has enormous resources. The Public Affairs Bureau in this province has an amazing array of resources and people and skills that could be brought to bear to make sure this public consultation could occur and be meaningful. There are some members in the Assembly that also have views on what that public consultation might look like. I mean, we've seen one colleague here in the House who has spent a lot of time talking about workers' compensation issues. That particular member, I'm sure, has given some thought to what public consultation is involved, and I've heard him talk eloquently on more than one occasion about the importance of public consultation on WCB issues. Now, why is it that he thinks it's more important that Albertans should be heard on that issue than on the future of Alberta Treasury Branches? I would think that's a significant item as well, and I would think a member who takes such a keen view in terms of involving the public in those kinds of areas would be one of the first people who would . . .

MR. PHAM: Yeah, you can just stop speaking now, and I'll vote for it.

MR. DICKSON: Ah, the old bribe, Mr. Chairman. I wasn't born yesterday. They're always offering that if I sit down and shut up, they'll vote with me. But you know, I've been in this Assembly seven exciting, scintillating, invigorating years, and I've never seen absolutely any evidence that would suggest that the outcome suggested by our friend here in the back row on the government side would come to pass.

I was speaking about public consultation and got a bit distracted wanting to engage in a sidebar debate, but I'm going to focus on you, Mr. Chairman, and deal further with public consultation.

I think we have seen public consultations that have been powerful and effective. I look at what's happening in the province of Manitoba at this very time. They're doing a public consultation on Bill C-54. You know, they advertise it. They have public meetings that people are able to go to and make comment. That's the sort of thing that could happen here, and what a truly exciting thing that would be. We could go to Drumheller, Alberta, or to Oyen or many of the small communities that sometimes are not heard. These are people who are going to be directly impacted with the closure, the sale, the divestment of Alberta Treasury Branches, whatever we call it and whatever form it takes. So I think that sort of public consultation would be an extremely valuable thing to have happen.

I listened to the analysis by my colleague from Edmonton-Ellerslie. She went through in considerable detail some of the concerns that might be the subject and part of this public consultation. I think that the consultation first would require a comprehensive discussion guide. This is the sort of thing that you might hire an agency independent of the government Public Affairs Bureau to design to ensure that all the key questions are posed to Albertans. The consultation might be the sort of thing that you wouldn't want to rush, that you might want to do over a period of five months, six months to ensure that people have an adequate chance to consult. I think you would want to ask generally unbiased questions. That's certainly not the record of the government when it comes to their attempt at what is passed off as public consultation, but I think you'd be able to engage Albertans in that sort of meaningful debate about what should happen to Alberta Treasury Branches.

You know, I'm surprised. How many times have we heard my colleague from Edmonton-Glenora put questions to the Provincial Treasurer about the future of ATB and what might happen? I don't know how many times we've heard from the Provincial Treasurer that nothing is final. We're, you know, looking at the full range of options and so on. Having grown up in the small community of Drumheller and having seen . . .

MR. DAY: Are we on the amendment?

MR. DICKSON: Absolutely. On the amendment. Just focusing in on the amendment. I'm focusing on the amendment now.

I'm glad the Provincial Treasurer is expressing some interest in my comments. I was going to sit down, but now that I have his attention, there are a couple of things I want to add. [interjections] You know, Mr. Chairman, there is no more wily parliamentarian in this Assembly than the Provincial Treasurer. As a former Government House Leader, no member has spent more time exploring the nuances of the Standing Orders. [interjections] Well, I'm paying tribute to the Provincial Treasurer. I understand the level of embarrassment, and I did not think it was possible . . .

Chairman's Ruling Addressing the Chair

THE CHAIRMAN: Order, hon. members on both sides of the aisle. I wonder if we could get back to the debate that's on amendment A2 to Bill 28, and address yourselves through the chair when you are recognized. Right now, Calgary-Buffalo.

12:20 Debate Continued

MR. DICKSON: Thanks, Mr. Chairman. Speaking to the amendment, I was just going to say that I didn't know how it would be possible to embarrass the Provincial Treasurer in any way. The man who has taken roller-blading to new heights.

Speaking to amendment A2, I would just make the observation that I've heard no compelling argument against this amendment. I think numerous arguments have been put forward and good arguments. I think there may be others who wish to complement what has been said already or refute it. I'm looking forward to that ensuing debate. If there are people who may be thinking of voting against this amendment, I hope they will take their place and tell us why they would be prepared to do that.

Thank you very much, Mr. Chairman.

[Motion on amendment A2 lost]

MR. SAPERS: I think that was pretty close though, Mr. Chairman.

It was very close. So there are many supporters of this government that would like to see a little bit more accountability when it comes to the Alberta Treasury Branches.

Well, you know, Mr. Chairman, the Alberta Corporate Tax Amendment Act does take us largely in the direction we want to go. The reassessments under the general antiavoidance rules and harmonization with the feds are initiatives that needed to be taken. Bill 28 does that, but as with so many government initiatives, what we have is a situation where along with the good the government has chosen to throw in some very troubling initiatives.

We've highlighted the two that cause the most concern, and of course this is part of a larger piece which speaks to the government's unwillingness to put into the public domain those issues which it wishes to keep secret. It's not because these are matters that must for some public good be held close to the chest. No. It's because this government really just doesn't want to let the cat out of the bag. They've obviously got some plans in mind that will change the status of the ATB, may or may not include credit unions, and I guess the government just doesn't want to see public debate on those issues. That's a shame. That's a shame because Albertans would be well served if these matters were debated in public and if they didn't have this patina of secrecy.

Our arguments obviously weren't persuasive enough on those two amendments. I suppose I could take the extreme measure now and urge all my colleagues to vote against this bill at third reading, or we could decide that we are going to filibuster this bill. It's a word that I don't like using because of all the negative connotations. But you know, that wouldn't be right either, because the bill largely does what needs to be done. It's just a shame that these amendments, which I didn't think were particularly partisan and which I thought were particularly helpful, would be dismissed with really so little debate or consideration. We're not going to continue the debate on Bill 28, but we do regret the position the government has taken on keeping matters related to taxation and financial institutions in this province matters that will be dealt with in secret instead of in public.

[The clauses of Bill 28 agreed to]

[Title and preamble agreed to]

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

SOME HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed?

SOME HON. MEMBERS: No.

THE CHAIRMAN: Carried.

Bill 35 Government Fees and Charges Review Act

THE CHAIRMAN: Are there any comments, questions, or amendments to be offered with this respect to this bill? The hon. Member for Edmonton-Glenora.

MR. SAPERS: I don't suppose we could have like a two-minute adjournment, Mr. Chairman. I haven't changed files yet and I still want to talk about Bill 28, and that would offend the practice of the House.

MR. DAY: Doesn't the same speech apply?

MR. SAPERS: Oh, you're so clever, but no.

Bill 35 is a bill that increasingly troubles me, Mr. Chairman. The government has talked and talked and talked about how this is a bill that they would have us believe has come to them of their own volition, that it was an initiative the Treasurer wanted to undertake, that it's a bill the government would have us believe had nothing to do with the Eurig decision, that they really wanted to do this stem to stern review of all the fees and it was the right thing to do for Albertans. But the truth is that this has been totally driven by the courts. This is a reactive piece of legislation. It's also defensive in the sense that the government is hoping this bill will be a shield against some lawsuit. And, most frustratingly, it doesn't deal with so many of the fees and user-fee taxes that this government has brought along.

Now, the defence will be: "We don't do those directly. The tire tax we don't impose directly. Tuition fee increases we don't impose directly. The fees for medical devices that the RHAs now charge we didn't do directly." But the truth is that when you peel the onion back a couple of layers here, Mr. Chairman, what is absolutely crystal clear is that this government created all those delegated administrative organizations. This government created the RHAs. This government has legislation that creates the university and college boards. It creates the school divisions. And this government, within the legislation that creates all those corporate entities, also then has regulatory sections where this government specifically directs that they will set fees and charges, and then they have to be approved by the government. It is a thin device indeed to say that these are not actions of the government.

Mr. Chairman, I can't for the life of me figure out why with one breath this Treasurer would say, "we're going to do the most comprehensive review of all of the fees and charges," and then nearly before he can inhale again, he'll then deny that this should apply to hundreds and hundreds of fees that raised millions and millions of dollars.

12:30

The minister responsible for children's services is nodding. She's puzzled as well, Mr. Chairman. We're all left shaking our heads. But I'm at a disadvantage to that hon. member, because she can go into the cabinet room and get that Treasurer into a corner and get the straight goods. She can get him behind closed doors and get him to put it on the table: what is going through your mind? That is something that I can't do.

Chairman's Ruling Decorum

THE CHAIRMAN: Hon. members, even though it is getting to 25 to 1 o'clock in the morning, it is still the Chamber, so if we could direct ourselves to addressing the chair and the other hon. members to listening or quietly doing your own work, then that will make it a lot more acceptable.

The hon. Member for Edmonton-Glenora.

Debate Continued

MR. SAPERS: Mr. Chairman, thank you for bringing order out of this chaos.

The minister responsible for children's services would try. If other of her cabinet colleagues would join her in getting that Treasurer to come clean and disclose what's going on in this bill, we would all be well served, because I have been singularly unsuccessful at being able to do that. You know, day after day I stand in this Assembly and I pepper that Treasurer with questions.

MR. DICKSON: Damn good questions.

MR. SAPERS: Thank you very much, Calgary-Buffalo. He just brushes them off. You know what he reminds me of? Do you remember watching Wonder Woman, Mr. Chairman?

THE CHAIRMAN: Hon. member, we are on a bill, which is Bill 35, the Government Fees and Charges Review Act, not a biography of whatever.

MR. SAPERS: Thank you very much, Mr. Chairman, but I am building to a point. Please indulge me. I was just saying that I get this image in my head of the Treasurer as Wonder Woman standing there with his arms up, crossed in front of his chest, with the bracelets, you know, and she was able to fend off the bullets.

MR. DICKSON: Yeah, but on roller blades.

MR. SAPERS: Of course. Yes, that's right; this Treasurer would be on roller blades.

So as I pepper this Treasurer with questions and he skillfully brushes them aside as Wonder Woman would do with those bullets, I have been unsuccessful at being able to get him to explain the rationale behind leaving out so many user fees and including just some user fees. Even of the 800 that he says he's going to review, when I counted those darn things, Mr. Chairman, I got over 1,300. This is a Treasurer that should be able to count the difference between 1,300 and 800. Now, I know he's made some huge errors in terms of estimating revenues and estimating expenditures and I know we've had all these supplementary supply estimates that have come into the House, but I would have thought that he would have had at least the ability to bring us a bill that properly counted the number of user fees.

So, Mr. Chairman, what I want to do is provide the assistance to the government and the Treasurer in the best way that I know how, and that is to provide some amendments that'll help rescue Bill 35 and restore sagging confidence in this government's commitment to do a thorough and honest review of user fees and charges.

MRS. NELSON: How many have you got?

MR. SAPERS: The Minister of Economic Development asked how many I have? Well, I don't want to give up the whole game all at once, Treasurer.

MS LEIBOVICI: How much is enough?

MR. SAPERS: Yeah. How many would be enough?

Chairman's Ruling Decorum

THE CHAIRMAN: Order. Hon. members, you're still in the Chamber. It's not funny hour. I wonder if we could bear ourselves down to the task at hand, which is paying some kind of attention to Bill 35, Government Fees and Charges Review Act, and the details that are there within.

Debate Continued

MR. SAPERS: All right, Mr. Chairman. I'm doing my best.

As a matter of fact, what I am going to do is give the Treasurer and his colleagues an opportunity to respond to some of those initial observations. Then having heard their elucidation, their defence, I will resume, along with my colleagues, the debate clause by clause of this bill, with its many, many schedules detailing these over 800 user fees.

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

MR. DICKSON: Mr. Chairman, I just wanted to pick up on something I was raising the other night. This had to do with the assertion of the Provincial Treasurer, something he's repeated several times in question period, that he was being amazingly proactive and leaderlike by undertaking this review of the user fees, the illegal user fees. I was pointing out to him how odd it is that he is a member of a government that paid good money to a lawyer to go to the Supreme Court of Canada and present argument as an intervenor. This is going back. The argument was more than a year and a half ago, where the argument was made on behalf of the taxpayers of Alberta.

I just wanted to develop some of the most disturbing elements that exist in the factum of the intervenor, because we were in this absolutely perverse situation where the government of Alberta is sending their lawyer to Ottawa to link up with the Attorney General of the province of Ontario and attempt to defend the probate fees in that jurisdiction on the basis that they were appropriate, they were within the competence of the province, and so on. This is absolutely contrary to the interests of Alberta taxpayers. So we have the Provincial Treasurer, who was part of a government that was in fact effectively fighting against the interests of the Alberta consumers and taxpayers, who now suddenly goes into the telephone booth and comes out in a brand-new disguise. And I don't mean the individual Treasurer. I'm speaking in the corporate sense of all of the wonder men and wonder women on the other side.

Mr. Chairman, the point is this. At one time they're prepared to extract every usurious fee that was possible, probate and otherwise, and then next we have the government presenting themselves as the protector and saviour of taxpayers. Now, does anybody else see some real contradictions, some real conflict in that picture? It's possible that the Provincial Treasurer didn't talk to the Minister of Justice so that when they made these submissions on behalf of Alberta taxpayers, there was some vetting and some reviewing of these absurd arguments put forward ostensibly on our behalf. There's that possibility. But one hesitates to suggest that there wasn't that kind of co-ordination. One would like to think that if a factum is put forward and a verbal argument is tendered to the highest court in this country, it would genuinely reflect the studied, considered views of the entire provincial cabinet. That's a reasonable expectation; is it not, Mr. Chairman?

12:40

What we find on Bill 35 is that – and part of the argument is not just the principles of the bill but what the Provincial Treasurer said in introducing Bill 35 and in terms of framing the debate, and it cannot be reconciled, at least in my view. The position taken by the province of Alberta as intervenor cannot be reconciled with the position now taken by the Provincial Treasurer in defending Bill 35.

You know, all the Provincial Treasurer would have to do is say: "Look; there may have been a flight of hyperbole. We may have been given to some unwarranted and absolutely unfounded boasting as a government, and on reflection maybe we should just admit we screwed up. We did not do the job of reading where the courts were going. We did not pay close attention to the Ontario Court of Appeal decision; we slept through that. We sort of sleepwalked through the litigation that's been going on for the last two years in the highest court in this country, and we were genuinely taken by surprise when that decision came out, when the decision was rendered. It was a big surprise in October 1998." That would be, frankly, a more palatable and a more understandable sort of reaction, but the provincial government hasn't done that.

They somehow want to suggest that they've always been in command of the facts, that they anticipated these issues coming. Well, the reality is that they were caught flat-footed. I've used the expression before, but once again we have the government standing squarely between the train tracks, feet planted firmly on the ground with the train coming from the other direction. They're facing the wrong direction. That's what happened on Bill 35. I mean, that's what happened on the whole issue of the Government Fees and Charges Review Act.

So I think we look for some consistency on the part of the Provincial Treasurer, we look for some consistency on the part of the provincial government, and we've seen sort of a 180-degree change in course. You know, if you're a sailor, Mr. Chairman, you have a controlled way of changing tack on a boat when you're coming about. But you can also . . .

THE CHAIRMAN: Hon. member, if you're not feeling well, you may be excused.

Calgary-Buffalo.

MR. DICKSON: So when you're sailing a boat and you're coming about and you're doing a controlled change of tack, that's one thing. But there's another thing that sailors always dread, and that's when you jibe. When the wind hits you over the stern and the boat ends up changing tack in an uncontrolled way and you have no control over it and you're at risk of capsizing if you're in a dinghy – well, in this case we did not come about. We did not change tack as part of a plan. We jibed because of the wind. In this case it was the Supreme Court of Canada decision that came at us over the stern. We ended up turning direction not because we intended to, not because it was the right thing to do, but simply because we lost control. Our helmsman was asleep at the switch. We weren't looking at the telltales. We didn't see that the wind had changed, and consequently we came close to getting clobbered in the skull with the boom as it came across the transom.

I think, Mr. Chairman, that's what we've got happening right here. We have an uncontrolled jibe, and I think it may be time for a new helmsman. I don't know about you, but I'm looking for my life jacket. I'm testing the dinghy for leaks because if this is the crew steering this boat, I'm not sure we're going to make it across the pond, never mind across the North Saskatchewan.

The problem we have with this bill is that we need a degree of honesty, a degree of candour that we have not seen yet from the provincial government in dealing with government fees, user fees in this charges review. I don't know what it's going to take to get the government or its nominal representative, the Provincial Treasurer, or the Minister of Energy or any of the other 17 ministers to say: we were caught with our pants down; we were caught completely unprepared. [interjections] There is a minister over there who seems to suggest that they saw this coming. [interjections] Mr. Chairman, I feel like I'm at a tailors' convention.

The concern comes down to this. We have to start on a basis of saying that we have to stop trying to suggest that Bill 35 is a triumph. We have to stop trying to pass off this charges review system as some kind of government clairvoyance. Let's just acknowledge the extent of this huge blunder that's been made, and then we can talk in a meaningful way about how we dig ourselves out of the hole.

AN HON. MEMBER: What hole?

MR. DICKSON: I hear somebody mention "What hole?"

Now, it may be that some members of cabinet – and this would be

a scary prospect – have not read the Eurig decision. If people had read what the Ontario Court of Appeal had to say more than a year ago, it would be clear that a host of regulations in this province would be at risk. Why we had to wait to this point to undertake the review is the thing we don't have an answer to. That's really the question, isn't it, Edmonton-Glenora?

MR. SAPERS: Absolutely.

MR. DICKSON: The question is: why did we wait until now to undertake this review?

Mr. Chairman, I'm concerned that there may be other members that want to participate in the debate. I don't want to monopolize all the time. This is too interesting an exercise not to be able to share with my colleagues. I don't want people harbouring a grudge. We're getting close to the end of the session. I don't want people thinking that some MLAs are getting a chance to get more than their share of participation in the debate. So I'm looking forward to further contribution and further debate from some of my very able colleagues.

Thank you.

MR. DAY: Mr. Chairman, the interesting aspect of this debate is that there hasn't been much that's meaningful. The fact of the matter remains – and we could debate all night in terms of motives – that we are the only province in the country, following the Eurig decision, that has said: let us not just look at fees or charges which could possibly be affected by that particular decision, but let us look at everything, or as far as possible, that is relevant that people are being charged, that people are paying for fees. We're so far the only province to make this wide-sweeping analysis.

We do believe very strongly in user pay. We think there is an appropriate time and place in which people should pay a fee for a particular product or service. We should not tax all Albertans because some like to hunt. People who like to hunt should purchase a hunting licence. We should not tax all Albertans for that particular right to do that. So user pay is unashamedly part of our philosophy.

In doing the review, we have listed in legislation a number, as far as we can determine – and I'll be the first to admit it's not a perfect determination – of fees and charges which may be affected by that particular decision. To show the public very clearly that the intent is not to raise the fees, there is a provision within the legislation which actually puts a severe limitation on a fee being raised, being in fact increased. On the converse, there is the ability for a fee to be decreased without a minister or another person having to go through any kind of very complex manoeuvre.

12:50

We've tried to listen to wandering debate from various members across the way, and I would suggest the chair has been very patient in terms of what is an appropriate issue, and that is the one of relevance. The chair has been very patient and very graceful in allowing the meanderings to which we've been accustomed from across the way.

The fact of the matter is that Albertans are on the verge of having the fees and charges which they are assessed being analyzed from the point of view of being lowered. We could debate motives all night. That is the fact. We are launching a review to make the load even lighter on the backs of all Albertans. The other fact is that the Liberals are opposing the speedy completion of that chore. They are debating this bill mindlessly, senselessly, and hopelessly and delaying the day we can stand in this Assembly after the good work of the review committee, which has been announced and put in

place, which will be announcing what I think and hope will be millions of dollars of savings to Albertans. They delay that day.

The Member for Calgary-Buffalo – in this particular case the term might be applicable – talks about putting on a life jacket, and if I remember correctly in looking at the slim margin by which he achieved victory in the last election, a life jacket may be appropriate for him. Mr. Chairman, as we look at this, I compare him to a man in the desert who's dying of thirst. You know, Albertans are getting a little weary, and in fact at times, as all Canadians, they feel like they're in a bit of a desert in terms of taxes and fees and charges. It's a taxing experience, and they feel like they're in a desert. So here is the Member for Calgary-Buffalo in a desert, and he's being offered a glass of water. Does he drink? No. He stands and debates where the water came from and should he drink from it at all. He would rather shrivel up and croak and die in the desert than just take the glass and drink and be appreciative of the fact that that weight upon him, in this case the desert, which is causing him the thirst could be quenched. But no. He'll quack and croak and tremble and say: well, where did it come from, and what's your motive for giving it to me, and is anybody else drinking from this glass?

Mr. Chairman, the taxpayers of Canada and of Alberta, even though we're the least taxed, are looking for a little bit of refreshment, and we as their representatives are looking at a host of ways in which taxpayers can be refreshed. This is one of them. But let's make it very clear tonight: the Liberals are filibustering on this particular bill. They don't want relief coming to the taxpayers of Alberta for reasons I can't determine. So rather than debate the motive, why don't we just look at this at its face value, the opportunity to reduce the load on the backs of Albertans who are paying these fees and charges. Let's get on with it. Let's stop with the silly, silly posturing and remember that there is a review committee in place that can review all and any other suggestions that aren't included in the actual bill.

A number of amendments have been tabled by Edmonton-Glenora, which I will say are well thought out but redundant in terms of having to continue to add and amend and amend every time there's another fee or charge that they think should be assessed. That can all be handed to the review committee to be done, and all of those, the amendments which reflect the various fees and charges to which Edmonton-Glenora is referring, are going to be given to the committee to review, all the ones that they are suggesting. We don't need the preponderance of legislation. Let's get on with it. Let's relieve Albertans as quickly as we can from the unnecessary weight of fees and charges. Let's not posture and keep that day of refreshing from them, as the Liberals are trying to do.

I would now move to adjourn debate on this particular stage of the bill.

THE CHAIRMAN: The hon. Provincial Treasurer has moved that we adjourn debate on Bill 35. All those in support of this motion, please say aye.

SOME HON. MEMBERS: Aye.

THE CHAIRMAN: Those opposed, please say no.

SOME HON. MEMBERS: No.

THE CHAIRMAN: Carried.

The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Chairman. We heard just recently about refreshing. The thing that would be refreshing right

now would be a little bit of sleep, so I would move that we rise and report progress.

[Motion carried]

[The Deputy Speaker in the chair]

MR. SHARIFF: Mr. Speaker, the Committee of the Whole has had under consideration certain bills. The committee reports the following: Bill 28. The committee reports progress on the following: Bill 35. I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

THE DEPUTY SPEAKER: Does the Assembly concur in this report?

SOME HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed?

SOME HON. MEMBERS: No.

THE DEPUTY SPEAKER: So ordered.

[At 12:59 a.m. on Thursday the Assembly adjourned to 1:30 p.m.]

