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The 28th Legislature
First Session

Alberta Hansard

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The Honourable Gene Zwozdesky, Speaker

Legislative Assembly of Alberta The 28th Legislature

First Session

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Starke, Hon. Dr. Richard, Vermilion-Lloydminster (PC)
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Weadick, Hon. Greg, Lethbridge-West (PC)
Webber, Len, Calgary-Foothills (PC)
Wilson, Jeff, Calgary-Shaw (W)
Woo-Paw, Hon. Teresa, Calgary-Northern Hills (PC)
Xiao, David H., Edmonton-McClung (PC)
Young, Steve, Edmonton-Riverview (PC),
 Government Whip

Party standings:

Progressive Conservative: 61

Wildrose: 17

Alberta Liberal: 5

New Democrat: 4

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Dorward	Rogers
Eggen	Rowe
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Luan	Strankman
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Standing Committee on the Alberta Heritage Savings Trust Fund

Chair: Mr. Khan
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Kubinec
Sandhu
Sherman

Select Special Chief Electoral Officer Search Committee

Chair: Mr. Rogers
Deputy Chair: Mr. Quadri

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Eggen	McDonald
Goudreau	Saskiw
Lemke	

Select Special Conflicts of Interest Act Review Committee

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Bikman	Khan
Bilous	Kubinec
Blakeman	Lemke
Calahasen	Sandhu
Casey	Stier
Fenske	Webber

Legislative Assembly of Alberta

7:30 p.m.

Tuesday, May 7, 2013

[Mrs. Jablonski in the chair]

The Acting Speaker: Please be seated.

Government Bills and Orders Second Reading

Bill 23 Tax Statutes Amendment Act, 2013

[Adjourned debate May 7: Mr. Horner]

The Acting Speaker: The hon. President of Treasury Board and Minister of Finance.

Mr. Horner: Question.

[Motion carried; Bill 23 read a second time]

Government Bills and Orders Committee of the Whole

[Mrs. Jablonski in the chair]

The Deputy Chair: I'd like to call the committee to order.

Bill 21 Environmental Protection and Enhancement Amendment Act, 2013

The Deputy Chair: Are there any comments, questions, or amendments to be offered with respect to this bill? The hon. Member for Rimbey-Rocky Mountain House-Sundre.

Mr. Anglin: Thank you, Madam Chair. I just want to stand and share my experience with this bill. This is a serious bill in many respects. If any of you had the opportunity at our most recent break, supertime, there was an article just published. I believe it was in the *Edmonton Journal*. It was a comment about Al Gore. Many of you know who he is. The point is this. It's not what was written. What is happening is that the reputation is being leveled and the allegations are being leveled, and the only thing that really succeeds in dealing with this is being proactive in doing something about it.

Here we're dealing with a bill that is trying to do just that. Industry has come forward and said: we want to do monitoring. If I remember what this government said initially, it wanted world-class monitoring. That's significant, but without any type of real performance measures to actually validate what we're doing, we lose the argument internationally. And we are. We're getting a black eye. Regardless of how many successes where we can go to the public and say, "This is what we're doing," what they want to see are measurable results. This has the ability to start down the right road. This act of actually instituting a world-class monitoring system has the ability to make transparent and validate what we so desperately need to do. It's what our industry needs us to so desperately do. That's why they have bought into this.

Without further ado, Madam Chair, what I'd like to do is make an amendment to this act. I have the requisite copies right here.

The Deputy Chair: Thank you, hon. member. We'll pause for a moment while you distribute copies of the amendment. This will be known as amendment A1.

Hon. member, you may proceed.

Mr. Anglin: Thank you, Madam Chair. What this amendment does is move that the Environmental Protection and Enhancement Amendment Act, 2013, be amended in section 2 in the proposed section 36.1 as follows: (a) by striking out "one or more environmental monitoring programs" and substituting "an oil sands environmental monitoring program" and (b) by adding "oil sands" before "environmental monitoring" wherever it occurs.

Now, the reason for that is that this whole monitoring program was born out of the joint Canada-Alberta implementation plan for the oil sands monitoring. The act itself is very broad based. It just openly creates the ministerial authority to actually create a monitoring system. What this does is define it as the oil sands environmental monitoring program, which connects the two dots. As one reads the joint Canada-Alberta implementation plan, which is this plan that both the feds and the province came up with, it sets out the parameters, sets out many of the guidelines, which I hope the regulations would follow because it has a lot of industry participation. It gives it clarity.

When I spoke to the various stakeholders, there were some concerns about the authority going elsewhere, left or right, and what they wanted to see is clarity, that this is what we intend to do. This was the industry class. As the minister knows, reading the legislation, it talks about persons and persons of another class, which I assume is an industry group. That's how I take that language. When I read the language "person or class of persons," I'm presuming that we're talking about the Oil Sands Developers Group in many regards. So this is what this amendment is designed to do, to make that connection between the legislation and the plan that was already developed.

As you remember, some of my colleagues across the floor did listen to me. I said that we develop the plan first, then we follow with the legislation. This amendment is to connect one to the other. With that, I would encourage my colleagues and fellow members to support me, and I'd be happy to hear from the minister on this.

Thank you.

The Deputy Chair: Are there any other members who wish to speak on amendment A1? The hon. Minister of Environment and Sustainable Resource Development.

Mrs. McQueen: Well, thank you, Madam Chair, and thank you to the hon. member for proposing an amendment. I would encourage the members in the House, though, to not support this amendment for a number of reasons. Particularly, we've talked about providing the first part of this with the oil sands region as we know that what we're looking at here is where we're starting. We've always talked about that. We've got a great agreement with the federal government with regard to the joint oil sands monitoring plan, the three-year agreement. We've got support with regard to industry for funding that and also for bringing this piece of legislation to the House.

Overall we'll be looking at how we make sure that we have a monitoring program. When we talked about the arm's-length agency, that was discussed from all sides of the opposition in the second reading of the bill, we talked about how this will eventually be across the province. So although this is initially starting out for the oil sands, as we continue on with regional plans and as we continue on with the arm's-length agency, we will also continue to have this legislation be able to affect all of the province.

It would not be good legislation to come back here a year or two from now but to have legislation that is broad, that is encompassing, and that will give us the opportunity to implement other

parts of the important monitoring that this member and others have talked about in this House many times. It's not just in the oil sands region that we want to have good air, water, land, and biodiversity quality; we want that across the province. That's what this government is committed to. That's what our Premier has talked about. That's what we've worked toward.

Although I respect the member for bringing the amendment forward, I would ask members of the House to not support this amendment. Thank you, Madam Chair.

7:40

The Deputy Chair: Thank you, hon. minister.

Are there any others who wish to speak on amendment A1?

Seeing none, we'll take the vote.

[Motion on amendment A1 lost]

The Deputy Chair: We'll move on to the bill. The hon. Member for Rimbey-Rocky Mountain House-Sundre.

Mr. Anglin: Thank you, Madam Chair. I kind of suspected that was going to happen – but that's okay – so I prepared my second amendment based on the first amendment being rejected. The issue of monitoring is significant. In many ways it's legitimate to say that we're going to spread out and that this is going to take in areas other than the oil sands development that's going on. So I prepared another amendment to address that broader issue. I have the requisite copies.

The Deputy Chair: Once again we'll pause while we distribute the copies of the amendment. This amendment will be known as A2.

Hon. member, you may proceed.

Mr. Anglin: Thank you, Madam Chair. With the whole issue of monitoring, whether it's the water, land, or air, it is significant that we have this transparent system. I do encourage the government not to settle for anything less than what is world class if not the leading technology in the world. With that said, to come to an agreement with the industry I think is valid. I think that shows that industry is concerned and they want to participate. That's why I brought this amendment forward, that basically says that we'll move that Bill 21, the Environmental Protection and Enhancement Amendment Act, 2013, be amended in section 2 by adding the following after the proposed section 36.1:

Fees

36.2 Within 6 months of the coming into force of this Act, the Minister must develop a proposal for the reimbursement of fees paid by participants in an environmental monitoring program from the Climate Change and Emissions Management Fund.

Now, the issue here is that we have a fund in which industry, the big emitters, now have a choice. They can buy into the carbon offset market, on which we have some disagreements about how well that is working, but we also have this fund. You know, I follow the CCEMC very well, but I do have questions on some of the projects that the fund has invested in. Now, the questions I have are ones of transparency. I don't know if they're working. I don't know if they're doing what they say they are doing. This fund has \$260 million plus or minus. The latest is \$300 million. That's a sizable sum.

Here's the issue. The industry is willing to participate. They're willing to commit \$50 million. That fund has already been set up. The money is there to invest, and the monitoring system that I hope this government undertakes to build will actually apply to many of the projects that are a result of the investment from this fund. Are they doing the things that they say they're doing?

If we have baseline data, if we have the ability to actually measure not just these projects but what the oil sands is doing, what our coal plants are doing, and what every aspect of our industry is doing, then we not only have credible data, but it just seems a perfect marriage to be funded out of this fund because that's the whole purpose of this fund.

Industry pays \$15 a tonne for the CO₂ that they emit, that goes directly into this fund. As the minister just signalled to me, there's \$300 million in that fund now. Why penalize or why charge more for something than you need to? If the funds are there, this has the opportunity for industry still to participate but to not cost them. They're already paying the fee into this fund. Now, if industry is willing to pay more, then that is something for the minister to take up with industry based on what the criteria is.

Backing up to the original comments I made about the way this amendment act was constructed. We created the plan first, and as the hon. member's staff told me, they looked at the amount of money industry was willing to contribute, and then they backed into it from there. Now, what they mean by backed into it from there, I don't know the technology they were thinking of applying.

I don't think the ministry or this government should be limited in terms of what industry was willing to just contribute when we have this fund that has the ability to actually pay for and maintain the operational costs of a state-of-the-art, world-class monitoring system. Once developed, that is something that Alberta could show the international market. That's why tonight I highlighted that story that was published in the newspaper, which denigrates Alberta and Alberta's industry.

Our goal should be to have a transparent monitoring system that is not limited by money or investment but is only limited by the technology that we can apply to make ourselves the leading jurisdiction in the world in dealing with the technology for world-class monitoring. That, to me, defeats many of the criticisms that are leveled at Alberta, that are leveled at Alberta's industries.

Looking at how this is constructed. What this amendment does is that it just says that the minister will then within six months establish how this is going to be paid for utilizing this fund without having it necessary to set up a fee system. Now, it doesn't stop you later on from incorporating the fee, but it does give a lot of extra value based on what that fund is.

Now, the fund can still invest in the projects that it deems worthy, but the monitoring program is consistent with what that fund is doing. It is, in my view, a consistent marriage of technologies, the technologies that reduce things like sulphur dioxide, nitrogen oxides, fine particulate matter, and CO₂. The technology being funded to monitor that comes out of the same source of funding. That now, I think, gives a competitive balance on how those funds are used.

With that, I invite my colleagues to support this amendment, and certainly I would love to hear from the minister.

The Deputy Chair: Thank you.

Are there any other hon. members who wish to speak on amendment A2? The Minister of Environment and Sustainable Resource Development.

Mrs. McQueen: Well, thank you, Madam Chair. This is a really good opportunity perhaps, with all respect to the member and his amendment, to do a little bit of education on this: what this is about, and what it's not about. I thank the member for this amendment because it gives me a chance to clarify to the House and to all Albertans with regard to what this piece of legislation is about. This piece of legislation is not dealing with the climate change \$15 per tonne technology fund. That's a fund that's

managed by the climate change and emissions management fund, an arms-length, independent agency.

7:50

What this is about, this piece of legislation, is dealing with environmental monitoring, and I do mean this with the utmost respect to make sure that all members of the House are aware of the difference. This is about us, the monitoring that we do for air, land, water, and biodiversity in the oil sands region. We have the joint monitoring agreement with the federal government for implementation there, and what industry has agreed to is a \$50 million maximum each year up to three years. We'll then look at what the renewal of that three-year plan looks like. So this is not about the tech fund, and I'd be happy to have a conversation later on with the hon. member about that.

But I do want to mention about the tech fund what is very important about that. What Albertans told us and what the House told us at that point in time, prior to my or the hon. member's time in the House, was that it needed to be independent and credible and that independent people outside of government or outside of this House were actually making the decisions with regard to who would get to apply for that funding. I think that piece of legislation, which is different from this, has really done an excellent job as we grow that area in technology, making sure we're reducing GHG emissions. Anyone from Alberta, Canada, or, quite frankly, around the world can apply for that fund and can apply for those dollars as long as the technology is then applicable in Alberta to reduce our GHG emissions.

Back to what this legislation is about, Madam Chair. This is actually about the monitoring that's happening on the ground. Therefore, all members in the House, I would ask you not to support this amendment because this amendment is not talking about the piece of legislation that we're talking about in this House.

Thank you, Madam Chair.

The Deputy Chair: Thank you, hon. minister.

The hon. Member for Rimbey-Rocky Mountain House-Sundre.

Mr. Anglin: Thank you, Madam Chair. To the hon. member: you just made my argument though. One of the arguments about this legislation – and you heard it earlier, I think, from one of the other parties – was that there is a need for independence. There is an actual need for that arm's length. You're absolutely right. How you describe the CCEMC was correct, and I understand that.

That's why I made the amendment, so it would be at arm's length for some funding. It would be an independent body that would actually be looking at or having some sort of input into the creation and operation of the monitoring if they were funding that. Now, there are a number of ways. I suppose it could be constructed inside. But that was the whole reason for the amendment, to go to that independence and to go to that arm's length. I don't disagree with the way you described the two different aspects. I was just trying to bring them back together into one, and I was trying to bring them back into the CCEMC.

With that, there are several things that can happen. But the whole purpose of that fund and the whole purpose of that fund investing in the projects it invests in also has to be monitored, and there needs to be verifiable results. When I look at the projects, many of the projects on the surface might make sense. I look at the investment, and what I don't see is the transparency that it's doing what it says it is doing.

That's the key. That's the whole key behind what I think this legislation is. Our oil sands companies or any industry that's

affected is going to take steps to improve what they're doing. They always have. It's only in their best interest. But having a monitoring system that's independent that can verify that and be transparent now is something we can take to the world and say: you can criticize this, but here is how we're doing it, and this is independent. So that's where that came from.

Thank you very much.

The Deputy Chair: Thank you, hon. member.

Are there any more members who wish to speak? The hon. Member for Edmonton-Highlands-Norwood.

Mr. Mason: Thank you very much, Madam Chair. With respect to this amendment reimbursing the fees, I'm afraid the participation of the environmental monitoring program is not something that we can support. We certainly believe that the polluter-pay principle needs to be maintained, and that includes costs of ongoing monitoring and general cleanup.

Unfortunately, we will not be supporting this amendment at the present time.

The Deputy Chair: Thank you, hon. member.

Are there any other members? The hon. Minister of Environment and Sustainable Resource Development.

Mrs. McQueen: Thank you, Madam Chair. I'll be very brief on this piece because I know members want to move on. The hon. Member for Rimbey-Rocky Mountain House-Sundre talks about the independence piece. If you will reflect upon two weeks ago in Ottawa, the independence piece is very clear with the joint monitoring with the federal government. We are very happy after the one-year anniversary of monitoring out of this three-year plan to go to Ottawa and to go to Carleton University and to show what we've done. Not only is the monitoring very transparent, we have created based on our Oil Sands Information Portal a joint portal so that that information is publicly available, very transparent for everyone to see. Quite frankly, the response we got from that was very, very positive.

I agree with transparency. This Premier has committed to transparency. This government is committed to transparency. Quite frankly, Madam Chair, that's exactly what we're doing.

Thank you.

The Deputy Chair: Thank you, hon. minister.

The hon. Member for Calgary-McCall.

Mr. Kang: Thank you, Madam Chair. I would also agree with the Member for Edmonton-Highlands-Norwood that the polluter-pay principle should apply here, and that we should be building that fund, you know, not paying the fees back after six months, so we could use that money for some other projects.

I will not be supporting this amendment for those reasons.

The Deputy Chair: Thank you, hon. member.

Are there any other members who wish to speak?

Seeing none, we'll call the question.

[Motion on amendment A2 lost]

The Deputy Chair: We'll move to debating the bill. Again, are there any who would like to comment on Bill 21?

Hon. Members: Question.

[The clauses of Bill 21 agreed to]

[Title and preamble agreed to]

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

Hon. Members: Agreed.

The Deputy Chair: Opposed? That's carried.

**Bill 23
Tax Statutes Amendment Act, 2013**

The Deputy Chair: Are there any members with comments, questions, or amendments? The hon. Member for Airdrie.

Mr. Anderson: Thank you, Madam Chair. As the Official Opposition Finance critic I'm happy to rise and make some brief remarks about Bill 23, the Tax Statutes Amendment Act, 2013. I will be supporting this housekeeping bill because it makes a few necessary adjustments. It clarifies Alberta tax statutes and harmonizes Alberta tax statutes with federal law and repeals legislation that is no longer relevant. Harmonization of the federal and provincial tax codes is necessary to clarify and streamline the tax codes for all Albertans, simplifying the process and reducing administrative complications.

Key points to this bill. Specifically regarding amendments to the Alberta corporate tax code that it brings about, I believe that these are positive and that these amendments provide clarity and accountability for corporate taxation, including harmonizing the Alberta tax code with the federal tax code by defining large corporations as those with taxable income over \$10 million, removing existing restrictions on the collection of taxes and arrears from large corporations by the minister, stating that deductions for political contributions by a corporation cannot exceed the amount of tax payable.

It also proposes minor changes to the calculation for deductions claimed under the scientific research and experimental development tax credit. These amendments will maintain Alberta's consistency with federal law by matching the federal change to the proxy amount that corporations can claim for overhead expenses when applying for the scientific research and experimental development tax credit. Reducing the proxy rate also has the added benefit of reducing previously added costs to the provincial government. It is positive that the scientific research and experimental development tax credit still gives researchers access to funds to support their important research and development work that they do here in Alberta and that taxpayers will still be able to claim the credit on the full amount of their eligible overhead expenditures.

8:00

There were also some amendments to the Alberta Personal Income Tax Act. Number one, the deletion of the NHL players tax. Although, having attended a few Flames and Oilers games this year, perhaps we should have been collecting some tax revenues because we sure weren't getting much out of those teams. I know that they're going to be back next year, so I think it's good that this will help, perhaps, the Oilers and Flames sign a few more free agents. You know, I remember when that NHL players tax was there, that was a big problem, getting those folks to come to Alberta. So making that official, getting that off the books, is a good thing.

Obviously, the Alberta resource rebate doesn't apply anymore, so that will be taken out.

It provides modest increases to the family employment tax credit. This is important to provide as much tax relief as possible, and although the increases are hundreds of dollars a year, it will make a difference to employees in small- and medium-sized businesses, which are often family owned.

Also, there's an amendment to the medical tax exemption to remove the \$10,000 cap. Before this amendment, when someone claimed medical expenses for a dependant, the person was capped at \$10,000, and this bill will remove that cap. We support the government making it easier for family members and friends to care for dependants when they are in need of medical care.

Bill 23 will also repeal the Alberta Income Tax Act to remove outdated provisions or those that are redundant in the Alberta Corporate Tax Act and the Alberta Personal Income Tax Act.

Madam Chair, all in all, it's a good housekeeping bill that streamlines our tax code and is something that the Wildrose will be supporting. Thank you very much.

The Deputy Chair: Thank you, hon. member.
Are there any others who wish to speak?

Hon. Members: Question.

The Deputy Chair: The question has been called.

[The clauses of Bill 23 agreed to]

[Title and preamble agreed to]

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

Hon. Members: Agreed.

The Deputy Chair: Opposed? Carried.

Hon. members, the Committee of the Whole now has under consideration Bill 17, Municipal Government Amendment Act, 2013. Are there any comments, questions, or amendments to be offered with respect to this bill? The hon. Government House Leader.

Mr. Hancock: Madam Chair, as much as I hate to do this, I did make a commitment to the Liberal Opposition House Leader that we would not deal with that until 9 unless somebody has amendments to bring. Rather than call this now, I would move that the committee rise and report bills 21 and 23 and beg leave to sit again.

[Motion carried]

[Mrs. Jablonski in the chair]

The Acting Speaker: I recognize the Member for Calgary-East to give the committee report.

Mr. Amery: Thank you, Madam Speaker. The Committee of the Whole has had under consideration certain bills. The committee reports the following bills: Bill 21 and Bill 23. I wish to table copies of all amendments considered by Committee of the Whole on this date for the official records of the Assembly.

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

Hon. Members: Concur.

The Acting Speaker: Opposed? So ordered.

**Government Bills and Orders
Second Reading
(continued)**

**Bill 24
Statutes Amendment Act, 2013**

[Adjourned debate May 7: Mr. Bhullar]

The Acting Speaker: The hon. Member for Airdrie.

Mr. Anderson: Thank you very much, Madam Speaker. In my recent trend of full co-operation with the legislative agenda of the government I'm happy to rise to lend my support yet again to another government bill. Sorry, Sarge. Bill 24, the Statutes Amendment Act, 2013, is what we are speaking about.

I'd like to commend the government for efficiently dealing with a number of minor but important amendments that reflect necessary revisions to a wide range of government statutes, including name changes of ministerial portfolios, the Emblems of Alberta Act, the Perpetuities Act, and the Surveys Act. We on this side of the House always do like it when things can be done harmoniously and in the most efficient and streamlined way possible.

Most importantly, I want to acknowledge and congratulate, obviously, the Minister of Service Alberta for bringing this forward and congratulate the MLA for Lacombe-Ponoka, our Service Alberta critic, for his leadership as well in highlighting a significant issue for condo owners across Alberta. His work in raising this in the Legislature earlier this year and making substantive proposals to improve the Condominium Property Act undoubtedly played a role in bringing forward the amendments contained in Bill 24.

We support these amendments that better protect Albertan condo owners by eliminating costly one-time special assessments that condo boards would previously collect for repairs in favour of smaller monthly fees for residents of townhouses, duplexes, villas, and single-family dwelling developments, or bare-land developments as they're called.

We know that a recent court ruling affirmed that common property in those bare-land developments only referred to roads, sewers, and landscaping. Other managed property, including walls, roofs, foundations, driveways, decks, doors, and windows could not be funded out of reserve funds and had to be paid for out of special assessments. The changes to the act now mean those bare-land condos can use reserve funds to pay for improvements to their residences. I've received several calls on this matter from condo owners, and this is something that they've certainly been looking for the government to do since the court kind of confused and muddled the issue earlier this year.

I join the Member for Lacombe-Ponoka in applauding the minister for helping to make life more affordable for Alberta homeowners by bringing forward changes to protect Alberta condo owners, many of whom are young first-time owners or seniors on fixed incomes who can't afford large one-time levies, and also for making the changes necessary to clear up the muddled waters caused by the court earlier this year. It's always gratifying when we can work together to make legislative changes that impact Albertans for the better.

Thank you, Madam Speaker. With that, I would move that we adjourn debate on Bill 24.

[Motion to adjourn debate carried]

Government Bills and Orders Third Reading

Bill 18 Pooled Registered Pension Plans Act

The Acting Speaker: The hon. President of Treasury Board and Minister of Finance.

Mr. Horner: Madam Speaker, it's my pleasure to move third reading of Bill 18, Pooled Registered Pension Plans Act.

I think there's wide support in the House, and I look forward to it passing, Madam Speaker.

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

8:10

Mr. Mason: Thank you very much, Madam Speaker. This legislation, or the genesis for this legislation, comes from a federal Conservative bill which established the idea of a PRPP, which is essentially to have a few large national financial institutions provide employers with the opportunity to offer employees a private pension plan which theoretically would achieve low costs through the economies of scale. The federal bill was designed with input from the provinces, the idea being that they would all implement provincial legislation that would allow for this new type of pension plan to be offered. Alberta's legislation is in line with the federal agenda.

Currently if an Albertan does not have access to an employer pension, the only things they have access to are private retirement financial tools such as RRSPs, mutual funds, tax-free savings accounts, and so on. The idea of a pooled registered pension plan is that instead of having a bunch of small pension plans, you have one big one. Essentially, the benefits to the companies are obvious. They can offer a pension and so on.

I think that Canadians deserve to have meaningful improvements to their pensions. The Canada pension plan has a proven track record of professional management, low-cost administration, and reasonable rates of return. Through modest and mandatory savings the Canada pension plan provides the guarantee of defined benefits which provide Albertans with unrivalled peace of mind. It's, therefore, the best option for helping secure a guaranteed future for Albertans' retirement. Only 18 per cent, Madam Speaker, of Albertans have a private-sector pension plan versus 40 per cent across Canada.

Madam Speaker, we think that the plan proposed here is simply a glorified RRSP. It's designed in such a way to see the retirement savings of Albertans handed over to the financial sector, which, quite frankly, fails to deliver on its promises with surprising regularity.

It's also important to note that these are entirely voluntary and contain no requirement for employers to match employee contributions. The benefits they pay out are not guaranteed and subject to the vagaries of the stock market. If people couldn't afford RRSPs before, then it's likely that they will be unable to afford them now.

We think that the PRPP will just be a gift to Bay Street, just another financial product they can sell, especially if they can negotiate higher fees than RRSPs. The legislation does nothing to cap the fees that administrators of the PRPPs will charge.

We believe that the Canada pension plan is the most efficient and most effective tool for ensuring income security for all Canadians, especially with its operating cost of 1 per cent or better and a good track record. It is pan-Canadian and it's portable. Therefore, instead of spending so much time and effort working on a new voluntary program, the government should be looking to a way to support enhancing and expanding the Canada pension plan. The Canadian Labour Congress has a detailed plan to double the CPP benefit, from about \$934 per month to \$1,868, by gradually increasing both the employee and employer contributions from 4.95 per cent of salary to 7.95 per cent.

It's interesting to note, Madam Speaker, that in the U.S. social security has benefits of \$30,000 a year, but the maximum benefit

in Canada is less than \$12,000. We have one of the lowest guaranteed retirement income plans in the OECD.

In my view, Madam Speaker, this is not the way to go, and I was very, very disappointed that the PC government led the charge against reform of the Canada pension plan. If this is all that they can offer Alberta workers in exchange, then it's a sad trade. What we need to do is improve and reform the Canada pension plan so that it provides benefits so that seniors who retire on the pension plan are not plunged into poverty. We need to ensure that not only employees but employers make a fair and equitable contribution to the retirement of all Albertans.

On that basis, Madam Speaker, we will be opposing Bill 18. Thank you.

The Acting Speaker: Thank you, hon. member.

Are there any others who wish to speak? The hon. Member for Calgary-McCall.

Mr. Kang: Thank you, Madam Speaker. It's a great pleasure to speak on Bill 18, the Pooled Registered Pension Plans Act. Pooled registered pension plans are the brainchild of our federal Finance minister, Mr. Jim Flaherty. He started floating this idea in 2010 after the federal-provincial negotiations on the CPP broke down. Mainly Alberta and Quebec came out in opposition to the idea of gradually boosting CPP payouts and premiums. At a December meeting of Canada's finance ministers that year there was reportedly unanimous agreement to pursue a framework for PRPPs. The federal government subsequently introduced Bill C-25, and the Pooled Registered Pension Plans Act was passed in the House of Commons. The PRPP framework will be implemented across Canada once the Senate approves and provincial enabling legislation occurs.

Bill 18 represents Alberta's PRPP enabling legislation and provides a legal framework for establishment, administration, and operation of the new type of retirement savings instrument. Alberta is the fourth province, after Quebec and British Columbia and Saskatchewan, to introduce or pass PRPP legislation.

PRPPs are to expand pension coverage, give people more retirement savings options, help more people to be financially prepared for retirement. You know, there are critics in the federal parties, the Liberals and the NDP. They claim that they are not all that different, that we already have RRSPs, we have TFSAs, and that we should really be focusing more on enhancing the Canada pension plan. Some pension experts also say that PRPPs won't be effective in closing gaps in retirement income unless they are mandatory on the part of both employers and employees under this bill.

Currently, Madam Speaker, only 1 in 6 Albertans working in the private sector participates in an employee pension plan. The Canadian Federation of Independent Business said in a news release that recent member data shows that 78 per cent of Alberta's small businesses do not have a company retirement savings plan but that 36 per cent would consider offering a PRPP in their workplace. An estimated 3 and a half million middle-income private-sector workers in Canada have no employer pension plan.

So far Quebec is the only province to back the federal PRPP initiative with companion provincial legislation that would make employer participation mandatory. Quebec was also the first province to set out its own framework of rules for the PRPPs. They are calling them voluntary retirement savings plans, or VRSPs.

In British Columbia the bill died on the Order Paper. Saskatchewan also introduced PRPPs. PRPPs will be simple

defined contribution plans, unlike the CPP, and won't provide guaranteed or inflation-indexed benefits. The way PRPPs are envisioned, participants will benefit from economies of scale and therefore a more diverse portfolio as well as lower investment costs.

While participation in PRPPs will be open to all Albertans, they are more targeted to help small businesses and self-employed people. Employees can contribute through payroll savings, making it easy to contribute, but, you know, it will not be mandatory for the employers to contribute to the PRPPs.

8:20

The debate over PRPPs is linked to the debate over expanding the Canada pension plan, the CPP. In fact, PRPPs grew out of a breakdown of federal-provincial negotiations on CPP reform, which Alberta and Quebec largely brought about on their own. With this being the case and because Bill 18 will pass regardless of whether we support it or not, our position on PRPPs is that we should be expanding the CPP.

Madam Speaker, Albertans, like other Canadians, are not saving enough for retirement. The Canada pension plan should be lauded as an extremely well-run public pension plan that could be expanded to help address the growing retirement income gap facing many Albertans and Canadians. Unfortunately, there is really no guarantee that the provinces and the federal government will ever agree on a plan to boost the CPP, and if changes do occur, will payments ever be high enough to preclude the need for other retirement savings instruments such as PRPPs?

Albertans already have access to voluntary retirement savings options such as RRSPs, yet a great many don't contribute, Madam Speaker. Since PRPP participation is voluntary as well, how successful will they really be in increasing pension coverage? Should people be forced to save for their retirement? Some pension experts say that PRPPs won't be effective in closing gaps in retirement income unless they are mandatory on the part of both the employers and employees. So far only Quebec has made employer participation mandatory. I think Bill 18 should make that mandatory for both the employer and employees, but the business community doesn't want PRPP participation to be mandatory.

What is the ultimate goal of the legislation? If it is to encourage more people to save for their retirement, how are PRPPs going to be any more effective than RRSPs in this regard since both are voluntary retirement savings plans? We have to have some teeth in the bill, Madam Speaker, so that people will have to save for their retirement. People are more concerned about putting bread and butter on the table, and they want more money in their pockets. You know, a lot of people are not that far-sighted.

Will PRPPs expand pension coverage at the expense of pension quality? In other words, might they encourage some companies to drop existing in-house defined benefit pension plans, where they match employee contributions, in favour of this new defined contribution scheme, where workers assume all risks and employers aren't required to contribute to the employee pension plan? Are PRPPs a precursor to defined contribution pension plans for public-sector workers? Could giving people yet another retirement savings option actually make things worse? We already have RRSPs and TFSAs and RESPs and now PRPPs, you name it. If people are not putting their money into RRSPs or RESPs or TFSAs – they already have those vehicles to save for their retirement – if they're not doing it now, how are they going to put their money into PRPPs?

I don't think it's a good bill, Madam Speaker. It's not going to do whatever it is intended to do. It's just going to be another plan

which people will not be taking the benefit of. I don't think I'll be supporting this bill for those reasons. It should be mandatory for both employers and employees.

Thank you.

The Acting Speaker: Thank you, hon. member.

Any members wish to speak under 29(2)(a)?

Seeing none, are there any other speakers on Bill 18?

Hon. Members: Question.

The Acting Speaker: The question has been called.

[Motion carried; Bill 18 read a third time]

Government Bills and Orders Second Reading

Bill 24 Statutes Amendment Act, 2013 (continued)

[Adjourned debate May 7: Mr. Anderson]

The Acting Speaker: The hon. Member for Chestermere-Rocky View.

Mr. McAllister: Number 10 in the program, Madam Speaker, number one in your heart.

Madam Speaker, I'd like to rise in support of this bill, just like the Member for Airdrie. I'm pleased to do so, to speak to Bill 24, the Statutes Amendment Act, 2013. I'd also like to thank my colleague the Member for Lacombe-Ponoka for first raising the issue in the Legislature and the Minister of Service Alberta for bringing it forward.

I think we've all heard from condo owners – and that's the specific portion that I'd like to speak to – who said that the changes were needed. I certainly have in my constituency, which is why I wanted to rise and speak on behalf of my constituents tonight. The changes were welcome in Chestermere-Rocky View, and as I said, I fully intend to support the bill.

What I would like to do, Madam Speaker, is read a letter, or at least a portion of it, I received from a member of the condo board at the Prince of Peace Village in my constituency in order to explain why these changes brought forward by my colleague for Lacombe-Ponoka and the hon. Minister of Service Alberta are so important and why we're so pleased that they're going to be put into legislation.

The letter:

Dear Bruce:

I'm writing to you as a concerned resident and Condominium Board Director of the Prince of Peace Village . . . within your constituency.

For years, we Boards and Management companies have been collecting fees with good intentions on a monthly basis as a reserve fund in preparation for future maintenance of our common and managed property. Most condo owners would prefer to pay a little each month rather than a large sum perhaps several times per year.

However, recently in Alberta, there was a court case involving a bare land condominium corporation in regards to the authority of the condominium to be able to pre-collect reserve fund contributions for "managed" property.

The judge ruled in this case that a condominium corporation can, as per condominium by laws, maintain managed property but cannot pre-collect funds in reserve for replacement of "managed" property such as roofs, railings,

driveways, fences or other expensive items. They can only do so for "common" property due to the ruling of this case.

Herein is the problem, as I continue.

In other words, projects such as the aforementioned may only be done and paid for by the condo owners by special resolution which could be a very large lump sum of money at the time and consequently unaffordable by [many] condo owners.

. . . Honourable Mr. Justice A.W. Germain [the judge] that ruled on the case called "The Shores" dated October 10, 2012 . . . stated this legislation to be flawed, "bizarre", "not practical", "nonsensical" and "restrictive" as it relates to managed property because in the past fees have been pre-collected and held in reserve funds.

I'm getting to the good part, Madam Speaker, I assure you.

This ruling has now made it clear based on flawed legislation, that these fees have been collected illegally placing boards and management companies in an extremely awkward and vulnerable position.

There are about 1200 Bare Land Condominium Corporations within Alberta therefore affecting thousands of condo owners, their corporations and management companies.

Moving forward, we have been informed by lawyers that to correct this problem an amendment to the Condominium Property Act and subsequent Regulations is needed to simply include collection of fees for "managed" property as well as "common" property.

We were also told that [the Service Alberta minister] said amending the Act would be quick and easy to fix, but the opposition although in favour of the amendments, preferred to have further discussion before making any changes.

8:30

This is the point that I need to raise. I've only been here a year, Madam Speaker, so maybe I'm not quite familiar with how we hold up legislation that isn't even before the House. Needless to say, I went back to Mr. Harley Sanders and many of the other residents in Prince of Peace and had a good, long discussion with them about this act and the fact that we wanted to support it and couldn't wait to, in fact, once it was presented here. It has all been straightened out in the Prince of Peace Village. I think they saw between the lines anyway.

But the point I would raise is that if we're going to work together on issues such as this or anything in general and if we're going to visit other constituencies of other members, it would be wise of us to include the information that's actually factual and is actually occurring. To suggest in any way that we have been delaying this is simply not true. Now everybody has been corrected on it and, frankly, are a little perturbed that it was raised in the first place.

I do rise to support particularly this portion of the act. It affects so many condo owners in my riding. I just wish that I hadn't had to go through going back to them to explain the fact that we have been waiting to pass this all along, and it was our member who initially asked the question and brought the issue to the Legislature.

Thank you, Madam Speaker.

The Acting Speaker: Thank you, hon. member.

Can I ask you to please table the document, the letter that you were reading from, tomorrow?

Mr. McAllister: You can ask me.

The Acting Speaker: And will you?

Mr. McAllister: Yes.

The Acting Speaker: Thank you.

We have 29(2)(a). Would anybody like to comment or question?

Seeing none, are there any other members who would like to speak to Bill 24, Statutes Amendment Act? The hon. Member for Edmonton-Highlands-Norwood.

Mr. Mason: Thank you very much, Madam Speaker. I want to make some comments with respect to this. The first thing that I'd like to say is that we will support the bill, and we support particularly the changes to the Condominium Property Act.

But before I go on, I want to talk a little bit about the use of miscellaneous statutes under our rules. Traditionally miscellaneous statutes are used only for routine housekeeping changes that are agreed to by all parties and can go through without debate. We think that this should have been included as its own act. It's a substantial change and corrects a very serious problem that has affected condominiums. As Justice Germain concluded, it's a "bizarre" and regrettable decision, and he calls it the "worst possible outcome from a business point of view" for the Shores. This amendment does change that and does fix the problem, so it should be supported.

You know, just to come back to the other thing, it comes back to the Surveys Act, all of the things that are included in this Public Trustee Act. The Justice minister says that it's not miscellaneous statutes but it's a grab bag of minor amendments. In our view, this particular piece is important enough that it ought to have been contained in its own act.

We will nevertheless, Madam Speaker, be supporting Bill 24. Thank you.

The Acting Speaker: Thank you, hon. member.

Standing Order 29(2)(a). Are there any members who wish to comment or question?

Seeing none, I'll ask the hon. Government House Leader.

Mr. Hancock: Thank you, Madam Speaker. Just briefly to comment to the hon. member's comments about miscellaneous statutes, clearly this act is not a miscellaneous statutes act. It is, in fact, more substantive than that. It has some amendments that do change policy and are more than just merely corrective. It wasn't held out to be miscellaneous statutes, which requires unanimous consent of all parties to include pieces in the bill. It was clear up front that we wouldn't get unanimous consent from all parties to include the Condominium Property Act in the bill, so that wasn't going to be a miscellaneous statute in any event.

It does seem a shame to bring forward bills in a stand-alone that have one or two lines even sometimes when there are important concepts in them. This Statutes Amendment Act deals with four pieces of legislation – five, really, I guess – but four that really are one or two lines, no more than one page and don't need to be stand-alone. They speak to specific items that need to be fixed, not huge policy issues but important issues, yes.

So it's not a miscellaneous statute. It is a grouping of different statutes, however, that require modest amendment, and the only reason that there's any heft or bulk to this act at all is because of the number of changes to the names of departments under the amendments to the Government Organization Act.

With those few clarifying comments and because I understand there's a request for this bill to be dealt with again tomorrow, I would move that we adjourn debate.

[Motion to adjourn debate carried]

The Acting Speaker: The hon. Government House Leader.

Mr. Hancock: Thank you, Madam Speaker. Might I request unanimous consent of the House to deal with Bill 23, Tax Statutes Amendment Act, in third reading? It passed second reading this afternoon and is out of committee, so it would require unanimous consent to move to third reading.

[Unanimous consent granted]

Government Bills and Orders Third Reading (continued)

Bill 23 Tax Statutes Amendment Act, 2013

The Acting Speaker: The hon. President of Treasury Board and Minister of Finance.

Mr. Horner: Well, thank you, Madam Speaker. It's my pleasure to move third reading of Bill 23, the Tax Statutes Amendment Act, 2013.

Again, this bill is simply housekeeping in most respects. I'm very pleased with the support of the House today as it's moving through quickly, as it should because it is simply housekeeping.

The Acting Speaker: Thank you, hon. minister.

Are there any other members who wish to speak?

Seeing none, I'll call the vote.

[Motion carried; Bill 23 read a third time]

The Acting Speaker: The hon. Government House Leader.

Mr. Hancock: Thank you, Madam Speaker. I'm struggling here. I might ask for unanimous consent of the House to deal with Bill 21, Environmental Protection and Enhancement Amendment Act, 2013, in third reading.

[Unanimous consent denied]

Government Bills and Orders Committee of the Whole (continued)

[Mrs. Jablonski in the chair]

The Deputy Chair: I'd like to call the committee to order.

Bill 17 Municipal Government Amendment Act, 2013

The Deputy Chair: Are there any members who wish to speak? The hon. Member for Airdrie.

Mr. Anderson: This is an interesting, odd thing in this Legislature right now. We have already spoken on this. I know our Member for Rimbey-Rocky Mountain House-Sundre as well as, of course, our critic for the Municipal Government Amendment Act has already spoken to this. We're supportive of it.

Hopefully, we can hear from the other side for another 20 minutes or so and see what's going on so we can have happiness in the Legislature in days to come. I'll leave it in the government's hands to tell us why this is such great legislation.

8:40

The Deputy Chair: Thank you, hon. member.

Are there any other members who wish to speak?

Ms Kubinec: Madam Chairman, Bill 17, Municipal Government Amendment Act, 2013, proposes amendments to the MGA that are required to implement the municipal sustainability strategy. The strategy is intended to achieve long-term sustainability in our municipalities and directly supports the government's strategic plan for safe, prosperous, welcoming, culturally diverse, and desirable communities.

By replacing the dissolution study process with a new viability review process, municipalities will be able to address their long-term viability challenges in a more proactive way that engages community residents, neighbouring municipalities, and key municipal stakeholder groups. This bill ensures that residents ultimately decide their municipality's future through a public vote prior to a municipality being dissolved. If residents choose not to dissolve their municipality, the process will clearly lay out the actions needed to return the municipality to long-term viability and will authorize the minister to issue directives on those actions. The results of a public vote will be binding and will require the community to choose between meaningful options for future sustainability rather than allowing an unsustainable status quo to continue.

The MSS was developed by a working group composed of representatives from the key municipal stakeholder groups – for example, the AUMA, the Alberta Urban Municipalities Association; and the AAMD and C, the Alberta Association of Municipal Districts and Counties – and has strong support from stakeholders.

I'm very proud to support this bill. It is the result of a very collaborative process between the province and municipalities to determine proactive solutions to support municipal sustainability.

Madam Chairman, I would encourage all members to support this bill. Thank you.

The Deputy Chair: Thank you, hon. member.

Are there any other members who wish to speak? The hon. Member for Edmonton-Highlands-Norwood.

Mr. Mason: Thank you very much, Madam Chair. I'd like to take this opportunity to speak to Bill 17. It deals with an issue, I think, that's emerged across the province, which is disparity. I guess the underlying piece that I want to talk about is the disparity between the financial capacity of different types of municipalities in different parts of the province. We've had a number of urban municipalities that have been forced to dissolve because they simply didn't have the financial capacity to meet the needs of their constituents.

There are lots of other reasons for some of these things. I just have a glimmer of hope here that the minister could use this to address that issue in a more enlightened way than simply requiring the dissolution of a municipality, be it a town or a village, because they don't have the financial capacity to deal with it.

We've had a number of conversations with municipal leaders around the province in the last few months, and there is a variety of approaches to this. Certainly, one of the approaches is to forge new types of municipalities that combine both urban and rural components or sections of the municipality. Right now the choice of simply dissolving or not, in a very rigid way, is part of the problem, which I think this bill is seeking to address.

I think it has a number of positive things. First of all, in order to dissolve, there has to be a vote of the electors, and I think that that's a democratic procedure regarding the most significant question which can face a municipality, which is: to be or not to be. It allows the people who live there to answer that question.

But there are some other things that I think are interesting about this bill that need some answers. First of all, it says that the

“viability review must be conducted in a manner determined by the Minister.” That does give a lot of authority to the minister without putting any kind of definition around what he or she does. If there was some definition or more definition around how a viability review could work, it would be easier to support the bill. We are supposed to be promoting accountability, transparency, and due process. The viability review process could be more detailed in order to provide assurance of that.

Overall, though, Madam Chair, I can say that the NDP caucus will be supporting this bill. It is supported by AAMD and C and AUMA. I think that if the minister can get agreement between both urban and rural associations in the province on a way to go forward on such a thorny issue, he deserves some credit. I think this piece of legislation is a step forward.

I do want to say, however, that the AUMA has raised an issue. I just want to put that on the record. They are disappointed that the minister's willingness to open the MGA did not extend to property assessment and taxation reforms, which AUMA submitted in 2010 and 2012. The AUMA believes that such reforms are critical, and delaying them will endanger the sustainability of communities, perpetuate inequalities between municipalities, and fail to match property taxes paid by Albertans and businesses to the costs that municipalities incur in the provision of services.

I believe those issues need to be dealt with in this term by the government. I hope that they are. Nevertheless, I believe this act is a step forward, and I'm happy to support it.

Thank you, Madam Chair.

The Deputy Chair: Thank you, hon. member.

The hon. Minister of Municipal Affairs.

Mr. Griffiths: Thank you very much, Madam Chairman. It's a pleasure for me to get up and relay a few comments on some of the questions and the issues that were raised, particularly by the last speaker. I think I've mentioned it many, many times in this House before that I understand that there are issues that AUMA and the AAMD and C have, individual municipalities, from large urban municipalities to small rural municipalities, all in relation to the Municipal Government Act. I've indicated that the roles and the responsibilities – the taxation and assessment, the planning and development, the governance, all three sections of the MGA – will be reviewed in full course and in their entirety by all of the municipalities, by members of the public, who have just as much say as AUMA and AAMD and C in how they're going to be governed. That's where those sorts of issues on taxation and assessment will be addressed.

This, Madam Chairman, was an initiative that was undertaken between the department, this government, and AUMA and AAMD and C to find the solution to a challenge. A previous solution was no longer working. We previously had dissolution studies, which were in the MGA, which served when a municipality found themselves challenged to remain viable. It was felt by AUMA and AAMD and C and this department that we needed to work on a new process that was about not just the dissolution of a municipality but the long-term viability and sustainability of municipalities.

I know the presumption is that the reason why a municipality would go through a dissolution study is that it's not financially viable, Madam Chairman, but my experience travelling around and being in 329 of the 422 communities in the province of Alberta in some way, shape, or form was that in many municipalities it wasn't just an issue about whether or not they had enough finances to provide the services to their community. In some cases they had the finances, but they didn't have a tax base

in order to build their community. In some cases they just didn't have the capacity, and it was difficult to find people who wanted to run even though they had financial resources available to them.

So viability is about more than just money, which is why we didn't address this in this legislation. We're addressing it in the full MGA review because, quite frankly, it's an issue that needs a lot more fulsome debate in the process over the next two years to come to a conclusion.

8:50

This process, Madam Chairman, is much more effective. The dissolution process that we had before would have communities reach a critical point, and actually we had to receive a letter from the general public, a petition, or a request from the council that we do a dissolution study. We would go through and do an assessment for several months and spend a lot of good taxpayers' dollars to do an assessment on the sustainability of that community. Then the report would be presented to the community, and in the meantime, while we were doing all the research, the community would become divided, half saying, "We have to dissolve; our taxes will go down, and it will be better," the other half saying: "No. We'll lose our identity." People in the community would become bitter enemies who would fight because they were preserving, in some cases, what they thought was where they lived, and in some cases they thought it would be better if they dissolved.

Then, regardless of what the dissolution study came back and said about their tax base or about their viability or about the resources they had available to them, the capacity they had to govern themselves, Madam Chairman, they would have a vote, which in most cases was almost 50-50. It was very close, 55 to 45 or 57 to 43. In those cases, it didn't really matter whether the vote was to dissolve or not. Those bitter relationships stuck with the community for an entire generation and did not help make the community stronger. If they voted not to dissolve, we'd be back to square one, where a community now had not just a question about their viability but was divided against itself. If they voted to dissolve, there was still bitter anger for a generation about who had the impact on the future of their community.

This process, Madam Chairman, helps communities become viable. It asks questions about their financial wherewithal, about their tax base, about their capacity to govern themselves. It brings in partnering municipalities to see if there are opportunities to share costs, to share resources, to share knowledge and information and find better relationships, to bring about collaboration to make sure everybody is sustainable, viable over the long term. That's what this legislation is about.

I know that the member had some questions about taxation and assessment. It will be done in the full review of the MGA, where everyone deserves to have a full debate. I would hate for this piece of legislation, which was crafted by AUMA and AAMD and C with this department to help communities become more viable, not to pass because it's being confused with another issue that will be addressed in the next two years.

Thank you.

The Deputy Chair: Thank you, hon. member.

The hon. Member for Edmonton-Centre.

Ms Blakeman: Thank you very much, Madam Chair. I'd like to offer a few comments on this bill. I've listened carefully to the minister repeatedly. That thing about visiting 329 municipalities is becoming his little personal word logo, like his colleague climbing Mount Everest not once but twice.

I understand the work that's been done on this, and I understand where it originated from. I actually think it went back to the previous member. [interjections] I can tell you're all so glad I'm back in here.

Okay. I think it was actually started by the previous – he was Minister of Municipal Affairs, rode a motorbike, and represented Lloydminster. Anybody? No. Okay. Blank looks. I know that the previous member for Peace River-ish, northwestern Alberta, also had a report that a lot of this came out of, so I appreciate that, you know, this has been chugging its way through the process. That's appropriate.

But I have to take issue with what I was hearing this afternoon, where the Member for Barrhead-Morinville-Westlock kept popping up in response to every comment, going: oh, no; couldn't possibly even consider that because this was put together by AAMD and C and AUMA, and that's that. I think there are some things in this bill that they didn't agree to, and I would really like to see where in their resolutions they okayed having the minister being able to punt them. If she can send that over, that would settle my mind on this one, anyway.

Section 130.3, which I attempted to amend this afternoon – or my amendment was brought forward this afternoon – is the one I wanted struck because that's where, you know, if everything isn't done "to the satisfaction of the Minister, the Minister may dismiss the council or any member of it or the chief administrative officer of the municipality, and section 574(3) to (6) apply in respect of the dismissal." I'd love to see the resolution where AAMD and C or AUMA said: yippee; yeah, I want that minister to jump up and dismiss me. If you can send that over, I'd really appreciate it because I find that one a bit hard to believe. It may well be there. I will admit that I have not read every single resolution that they've ever passed, so it's indeed possible.

I have an amendment to bring forward. It's been sent to the table, and I'll ask that it be distributed at this point. Some of you have heard me talk about this before, so I'm just going to keep talking while you distribute it. What I'm trying to do here is get at . . .

The Deputy Chair: Hon. member, I'll just have you pause for a moment so that we can identify this as amendment A3. Just give us a minute or two, please. Thank you.

Ms Blakeman: Okay. Sure.

The Deputy Chair: Hon. member, you may proceed.

Ms Blakeman: Thank you very much. The minister is very aware of my interest in what I call the CLEA, the combined low expenditure assessments, which is shorthand for the number of assessments that municipalities and rural areas can make and charge against, oh, things like the linear assessments, which are the pipelines and railways, against power plants, for example, you know, stuff like that. They can assess whatever they want. A lot of the municipal districts make a fair income out of it, and I've raised those numbers with the minister in question period. I feel that this has quite a bit to do with why we are in this situation of having to look at viability and/or dissolution in some areas of Alberta.

Now I will pause here and go: sometimes that may be appropriate because we do have an exodus from rural areas to urban areas. It's a fact, and it may not be appropriate to be forcing a community to stay together. You know, it may not be viable, which is the point of looking at this viability assessment. But I think a big piece of this is those assessments. Now, CLEA is a shorthand that I use and some other people use.

I'm sorry. I'm going to pause here and just do a shout-out to Parliamentary Counsel, who did a double whip flip to get some

amendments through for me at the speed of light. Frankly, for some reason the government perhaps doesn't like the heat in this room, the actual heat, not the other heat, and wants to get out of session. I don't know why, but we're ripsnorting through this legislation, so my thanks to Parliamentary Counsel for processing my amendments so quickly.

The amendment that I'm moving, that is now A3, is to start to gather some information about the effect that that's actually having. It's amending section 134.1, which is currently a transitional clause, and it's adding after the proposed section 130.3 a section called 130.4.

When a municipality is dissolved or where a viability review recommends the dissolution of a municipality, the Minister must prepare and make public a report within 6 months of the dissolution or recommendation for dissolution, as the case may be, addressing the impact that . . .

Here we go.

. . . residential, non-residential, farm land, machinery and equipment, and other categories of assessment had on the dissolution or recommendation.

It's starting to bring together, frankly, some of the facts so that we have a better sense of the distribution of these assessments, which I feel is not of benefit to the urban areas, in which I include villages, towns, and cities, and that may well be a major cause as to whether we're having to look at the viability of certain areas. I know the minister has spoken before about: oh, it's a community, and we should all work together. It's sounding a tiny bit forced to me as though the government really needs them all to stay together, and that may well be the case. I know that the government has a major voting base there, and they need to keep that voting base where it is so that they keep getting elected. I understand that. That's politics. But it is sounding a bit forced to me that, you know, communities have to stay together and they have to help each other.

9:00

What I'm seeing in this act is that municipalities are giving up their self-determination in order to have the minister step in. That may well be what they said they wanted, but I do find it a bit troubling. They're giving up municipal autonomy and self-determination so that the minister now has control over this viability dissolution process.

What I'm trying to do with my amendment is start a little bit of research and say: when we look at this process, let's also look at this piece and see how much it had to do with the original recommendation coming from the community or whether the final version of it, whatever that may be, is tied to the assessments. I think it does. So far the minister and I are descending into: "I'm right." "No, you're not." "Yes, you are." "No, I'm not." Blah, blah, blah. That kind of conversation. I'd like to take it a step further and actually get into looking at some of the root causes of what's happening here.

This is my province, too. I represent an urban riding, and I'm proud to represent an urban riding. I just came in a great rush from a community league meeting of a fairly new community league, which is the Downtown Edmonton Community League. It's been in formulation for a period of time and has now been formally constituted and recognized by the city of Edmonton. They're having their AGM, and all kinds of great things are happening down there. The farmers' market, for anybody that's in town, is starting on the May long weekend, a fabulous outdoor market on 104th Street, the best one in town, even better than Edmonton-Strathcona's. Come on down. You'll have a great time.

That's what I'm trying to do with this amendment. I'm not dissing the process. I'm not questioning – well, yes, I am. I am questioning the reverse onus, the switching of onus that's happened under this bill. I'm being told repeatedly by the Member for Barrhead-Morinville-Westlock that this is exactly what they wanted.

Okay. I will have to take her word for that except for the part about dismissing people. I just can't believe they agreed to that.

I want to know how that tax assessment is affecting people because it's a lot of money. A lot of money. I think that tax should be redistributed across Alberta. These structures, once they're built, are a low expenditure to keep going. It's not as though, you know, you have to build a new road out to them every 10 years. You might have to pave it, but frankly you're going to pave everything else, too. The municipality doesn't pay for that; the government does.

That's the reasoning behind the amendment that I've put in front of you. I hope that the government will support this. It should lead us into a more evidence-based position from which to examine some of these. I can tell you that I have not heard from 329 municipalities, but I'm really surprised at how many municipal councillors have managed to track me down and thank me for starting to raise this subject in the Assembly and to bring it forward and say: what the heck is going on? To be fair, I have had a couple of reeves send me steaming, flames-licking-off-the-sides Facebook posts and things. You know, fair enough. Yeah, I'm surprised at how many people have been tracking me down and saying: thank you very much for doing this. I think it's worth considering, for the minister and for the sponsor of the bill, and I hope that they will consider it.

I would have been happy to share this through the government caucus, but as I've already outlined, this whole thing was put together at the speed of light. I left a community league meeting seven or eight blocks away from here and hotfooted it in here to move this tonight. If you keep moving this fast, yes, indeed, you will all be going home this weekend, which may be the plan.

I hope I can get your support in that, and I look forward to any continued discussion on it. Thank you.

The Deputy Chair: Thank you, hon. member.

The hon. Minister of Municipal Affairs.

Mr. Griffiths: I'll be very brief, Madam Chairman. I just wanted to point out that this is very prescriptive. The viability reviews actually are not done just by the Ministry of Municipal Affairs. We help co-ordinate the committee. We have membership from the local municipality, from the neighbouring municipalities, from AUMA, and AAMD and C, and they choose the prerogative on the direction that they want. This would prescribe including revenue in the discussion. It doesn't prescribe expenses. It doesn't prescribe capacity. It doesn't prescribe relationships. Every single municipality is a unique circumstance when they're doing a viability review. I'd ask my colleagues not to support this because we're not going to make it prescriptive.

The Deputy Chair: Thank you, hon. minister.

Any other speakers on amendment A3 to Bill 17? The hon. Member for Banff-Cochrane.

Mr. Casey: Again, I'll be extremely brief. I would suggest that the member should possibly look at the Municipal Government Act when she's concerned about the minister having the ability to dismiss under 574(1) and 574(2). I'll read you (2): "If an order of the Minister under this section is not carried out to the satisfaction of the Minister, the Minister may dismiss the council or any member of it or the chief administrative officer." So that section that is in here now is no different than the section that is currently in the act and does not give the minister a lick more power than he has today to deal with issues in municipalities.

Thank you.

The Deputy Chair: Thank you, hon. member.

Are there any other speakers on amendment A3?
Seeing none, we'll call the vote.

[Motion on amendment A3 lost]

The Deputy Chair: We'll carry on in Committee of the Whole with Bill 17, the Municipal Government Amendment Act. Are there any other speakers?

Seeing none, we will call the vote.

[The clauses of Bill 17 agreed to]

[Title and preamble agreed to]

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

Hon. Members: Agreed.

The Deputy Chair: Opposed? Carried.
The hon. Government House Leader.

Mr. Hancock: Thank you, Madam Chair. I would move that the committee rise and report Bill 17.

[Motion carried]

[Mrs. Jablonski in the chair]

The Acting Speaker: I would ask the Member for Calgary-Varsity to report.

9:10

Ms Kennedy-Glans: Thank you. The Committee of the Whole has had under consideration a certain bill. The committee reports the following bill: Bill 17. Madam Speaker, I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

The Acting Speaker: Having heard the report, does the Assembly agree?

Hon. Members: Agree.

The Acting Speaker: Opposed? So ordered.

Government Bills and Orders
Third Reading
(continued)

Bill 17
Municipal Government Amendment Act, 2013

The Acting Speaker: The hon. Member for Barrhead-Morinville-Westlock.

Ms Kubinec: Thank you, Madam Speaker. It is a pleasure to rise this evening and move third reading of Bill 17, which amends the Municipal Government Act to implement the municipal sustainability strategy.

I want to thank all my hon. colleagues for their consideration in debate on this important piece of legislation. These changes will result in a more proactive approach to identifying challenges, more community engagement and involvement in the long-term future of Alberta's municipalities, and more sustainable communities for our residents.

Specifically, implementation of the MSS will include identifying municipal challenges sooner and developing options to address those challenges; ensuring that the right process is used when the viability of a municipality is in question; finding solutions through strong partnerships amongst neighbouring municipalities, municipal associations, and Municipal Affairs; more community engagement and involvement, including with neighbouring municipalities; and requiring the community to choose meaningful options for future sustainability rather than allowing an unsustainable status quo to continue.

The MSS is a result of a collaborative process between the province and key municipal stakeholders and has received strong stakeholder support.

Madam Speaker, I would like to thank you for providing the time for me to speak to this important piece of legislation. This will mean a lot to the two municipalities in my constituency who are going through this process.

Thank you.

The Acting Speaker: Thank you, hon. member.

Are there any other members who wish to speak on Bill 17?
Seeing none, we'll call the question.

[Motion carried; Bill 17 read a third time]

Mr. Hancock: Madam Speaker, I'm at a loss as to what to do now.

The Acting Speaker: Go home.

Mr. Hancock: I could ask for unanimous consent again on Bill 21. [interjections] Ain't gonna happen. Okay.

In that case, Madam Speaker, I guess I'll have to move that we adjourn until 1:30 p.m. tomorrow.

[Motion carried; the Assembly adjourned at 9:13 p.m. to Wednesday at 1:30 p.m.]

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