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The 29th Legislature
Second Session

Alberta Hansard

Wednesday morning, November 2, 2016

Day 43

The Honourable Robert E. Wanner, Speaker

Legislative Assembly of Alberta The 29th Legislature

Second Session

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van Dijken, Glenn, Barrhead-Morinville-Westlock (W)
Westhead, Cameron, Banff-Cochrane (ND),
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Yao, Tany, Fort McMurray-Wood Buffalo (W)

Party standings:

New Democrat: 54 Wildrose: 22 Progressive Conservative: 9 Alberta Liberal: 1 Alberta Party: 1

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Legislative Assembly of Alberta

9 a.m.

Wednesday, November 2, 2016

[The Deputy Speaker in the chair]

Prayers

The Deputy Speaker: Let us reflect. Around the world today people are concluding their celebration of Dia de Muertos. It is a time of remembrance and reflection, a time to connect with our loved ones we have lost in death and keep them close. Let us keep them in our hearts today as the ripple of their lives continues to pass through us.

Please be seated.

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

Mr. Cooper: Thank you, Madam Speaker. I rise today to seek unanimous consent of the House to revert to Notices of Motions. This afternoon we're anticipating a large number of guests in the gallery, and I believe that there are some procedural discussions that need to take place under Notices of Motions. Out of respect for the government and the activities of this afternoon I ask for unanimous consent to move immediately to Notices of Motions so that I may present a motion identical to the motion presented by the current Premier in December 2013.

[Unanimous consent denied]

Orders of the Day

Government Bills and Orders Second Reading

Bill 24

Forest and Prairie Protection Amendment Act, 2016

[Adjourned debate November 1: Mr. Westhead]

The Deputy Speaker: Any members wishing to speak to the bill? The hon. Member for Barrhead-Morinville-Westlock.

Mr. van Dijken: Thank you, Madam Speaker, and thank you for the opportunity to speak to Bill 24 this morning. I think it's imperative that we recognize all that we do to try and mitigate the potential dangers in our forests and prairies. We need to recognize that there are still going to be accidents that happen, and that's unfortunate, but what we can do is try and mitigate as much as possible and deal with the areas of responsibility we each face as a province, as communities, and as individuals.

The minister has proposed Bill 24. While it's welcome to see some changes and updates to this piece of legislation, I have a feeling we have not heard the last of wildfires in Alberta, particularly the Horse River wildfire, better known as the beast that attacked and destroyed parts of Fort McMurray. The beast is still alive, and it lays simmering and smoldering in the peat moss in Fort McMurray and in the muskeg bogs, and it will do so for many years.

On the farm we well know how the fire gets into the ground and into the roots of the peat moss, and it can flare up many years later. The right conditions – dry conditions, windy conditions, low humidity – can get these fires going again. We need to be ready, for sure.

My colleague from Calgary-Foothills tells me about his trip into northern Alberta, an area that I'm very familiar with, living in

northern Alberta, where he reports seeing huge stands of trees that are turning rusty orange, brown. No, they're not tamaracks changing in the season, but they are trees that are dying. They're shedding their needles, and we have to be cognizant that natural conditions are occurring that will cause problems down the road. We've built communities, people being able to do industry within the boreal forest, but at the same time we recognize that there's a natural fire hazard and that these stands of trees have been controlled in the past through natural fire burn.

I recall a fire in my constituency up in Chisholm in 2001, where that community was evacuated. It took out 10 homes, took out 120,000 hectares of timber. It was a very eye-opening experience for the people within that community towards the danger of fire. That fire in particular was initiated by a spark off the railroad tracks, steel on steel, and it turned into a forest fire. It was, I believe, in May 2001. I visited that community about a month ago. The community has shrunk because of the decrease in activity in the industry there, but the people that live there are very much in love with their community and do as much as they can to mitigate the threat of fire.

I reflect back to a time in my early childhood where in 1972 my father drove us up into Swan Hills. Swan Hills had just gone through a fire that came within a kilometre of the town. It was a huge fire, and it evacuated the town. The town was a relatively young town at that time, a lot of mud roads, gumbo roads. In 1981 there was another fire that went through. It came very close to the town of Swan Hills. I was a 19-year-old at the time, driving a truck delivering jet fuel to the helicopters that were moving the firefighters around in that area. At that time 2,000 people left the town, evacuated out of the town of Swan Hills because of the threat of fire.

What I refer to is the fact that those communities learned from the experience, just like the Slave Lake community has learned. But we as a province have to be cognizant of the threat of wildfire at any time. Many of our communities are within the boreal forest, and we need to do the best we can to mitigate that threat. A lot of that is going through education to provide awareness to individuals, to provide awareness to industry, and we all have a certain responsibility to ensure that the chance of wildfire is as low as possible.

Education will provide that awareness. We have some programs that also provide awareness. You know, when we look at the Swan Hills, the Chisholms, the Slave Lakes of the northern region of the province, one thing for certain is that once burned, twice shy. These communities are very aware of the threat that fire imposes on their community. We see how the FireSmart program, initiated, I believe, in 1998, has been a very effective tool to help these communities to keep their community informed, aware, and also provide grants to help them with such things as vegetation management within their communities, on the edge of their communities, and that type of thing.

The other aspect of trying to protect our forests and our prairies is, essentially, good planning at all levels: good planning, good training of our firefighters, and how that improves our ability to mitigate the risk of wildfire.

9:10

That being said, I do not believe that we have seen the last major fire. On the major fire in Chisholm the Chisholm Fire Review Committee issued the accompanying report in October 2001, so October of the very same year that the fire happened. The report on the Slave Lake fire, known as the Flat Top Complex, was issued in May 2012, a year after the fire.

On page 24 of the Flat Top Complex report there is a chart that shows total wildfires versus lightning wildfires. In that chart we'll see that it becomes very apparent that human activity is the most prevalent cause of wildfire during the month of April. Most lightning strike fires don't start until into the month of May, and we see there that that's where we can have the most impact on the mitigation of wildfire in our province.

I think what is recognizable is that humans are not the only cause of wildfire and fire issues within the province but that lightning is a situation that we have to be aware of also. While Mother Nature causes many fires, with the lightning strikes causing wildfire to open the cones and drop seeds and clear out the deadwood, the chart accurately shows that Alberta has significantly more wildfires in March, April, and May that are not caused by lightning at all.

Page 23 has a chart that shows that over a 10-year period, from 2002 to 2011, while lightning may have caused approximately 40 per cent of wildfire, resident and recreation caused 43 per cent. Industry combined caused about 10 per cent, incendiary came in at about 5, and about 3 per cent of the fires were of unknown cause.

Out of the 21 recommendations in the Flat Top Complex report, updating the Forest and Prairie Protection Act was one of the them, so I applaud this government for making updates. It has to be noted that budgeting for implementing the recommendations of the Flat Top Complex was cut by 4 and a quarter million dollars last year.

Humans are causing wildfire, over 43 per cent of it, according to this report, and people need to be educated about wildfire and how it can start so early in the spring. Education starts at home and extends into the classroom and then into the job site. Many work sites have safety briefings, and wildfire can be part of that briefing.

I reflect back again on the FireSmart program and how it has helped communities in my constituency and in neighbouring constituencies. I think of the work that's being done also in the town of Whitecourt in the minister's constituency and how they've embraced FireSmart programming to ensure that they can do as much as possible to mitigate the risk of wildfire. Every year the town of Swan Hills tries to do a little bit more to educate and to create programs that help to mitigate the risk with regard to vegetation management around their town and those types of things.

After the Slave Lake fire \$20 million was spent for FireSmart in the Slave Lake community, after the fact. Meanwhile grants from FireSmart to communities are capped at \$100,000. It would be good to review that to get an understanding. Is that the right number? Does the size of the community make a difference in the need within that community, and is there a possibility to look at moving that cap around based on the total area of that community? The size of the perimeter of the community is very important to understand what the costs of implementing FireSmart are. Is this good use of funds when it costs hundreds of millions to fight one incident? Has the government done any evaluation that a properly funded FireSmart program could possibly save us hundreds of millions of dollars in disaster funding?

Let's talk about people obstructing fire operations. The mass sales of controlled aerial drones – in today's world we see more and more of the aerial drones in our marketplace and individuals starting to participate in that activity. It has placed unmanned aerial vehicles into the hands of the general public, many hands. But unless you are a wildfire contractor using a drone to spot fires, Albertans are to leave the drones at home and out of the sky near a wildfire. Again, education will need to take place to ensure. We have penalties being introduced, but education needs to be in place to actually ensure that these operators know the threat of using these aerial drones.

Drones can do serious damage to air tankers. It doesn't matter if the drone is hovering or if it's moving at 50 kilometres an hour

towards an air tanker coming at it at 250 kilometres an hour. The impact will destroy the drone, no doubt, so the person is out the drone. But the impact will damage the air tanker and could even cause a crash landing. Keep your drones away from wildfire. Remember, all it took was a flock of geese no bigger than a drone to put U.S. Airways flight 1549, five crew members and 150 people onboard, into the Hudson river. We don't want to be responsible for crashing one of these air tankers. Again I reiterate: penalties are fine, but education is key to people recognizing the threat that these drones have on fighting wildfires.

With all the technological advances that have given us drones, why haven't the powers that be investigated using technologies to fight wildfires? I've sat down with individuals that are . . . [Mr. van Dijken's speaking time expired]

The Deputy Speaker: Under 29(2)(a) the hon. Member for Olds-Didsbury-Three Hills.

Mr. Cooper: Well, thank you, Madam Speaker. I was thoroughly enjoying the comments by my hon. colleague there. It sounded like he might just have a few more comments to make. I wondered if he would like to use the remaining time to conclude his comments.

The Deputy Speaker: The hon. member.

Mr. van Dijken: Well, thank you, and thank you to the member for the request. Speaking with regard to technological advances, speaking to individuals that – there are new gels and foams that have been developed that homeowners can buy off the shelf but have not been implemented in mass attacks on wildfires. Surely in this day and age of advanced science we can do better than trying to spray down our homes with a garden hose to try and save it from a wildfire. That might be the only tool we have at our disposal, but we can do better with the technology that's available.

Research and development to make the ground and aerial attacks on wildfires more effective than they have been over the past I'm going to say four decades is necessary. Madam Speaker, it is critical to make sure the best practices are being used to fight wildfire when it happens. This goes all the way back to the Alberta Fire Review '98 Final Report, prepared for the Alberta Forest Protection Advisory Committee. Those best practices include attack at first light. A legal day is one hour before sunrise. While a night attack is dangerous, the sooner firefighters can get at a fire, the better.

Boots on the ground: important. The best practices outlined in the review – aerial attack only slows the progression of a fire. It doesn't put it out, and we saw this spring that boots on the ground, the people on the ground attacking the flames, can put the fire out. We still have people on the ground today attacking the fire that we had this spring up at Fort McMurray.

9:20

When the temperature is low, low temperatures slow the burning. We all realize that. When the relative humidity is high, higher humidity slows the burning. We have very limited control over that, but we can always hope that the conditions are right to slow the burn. When the winds are light – wind spreads the fire, and the faster the winds, the more the fire spreads.

This is how gains are made in halting the advance of a wildfire. It is imperative of each and every individual, it's imperative of municipalities and communities, and it's imperative of our responsibility as a province to try and move forward in wildfire awareness, in wildfire prevention, mitigation, and education of everyone involved in trying to lessen the hazard of wildfire to the communities within the northern boreal forest.

Thank you, Madam Speaker.

The Deputy Speaker: Any further questions or comments under 29(2)(a)?

Ms McLean: Madam Speaker, I'd like to request the unanimous consent of the House to do an introduction at this time as there's someone that's arrived in the gallery.

The Deputy Speaker: We've had a request for consent to revert to Introduction of Guests. I'll just ask one question: is anyone opposed?

[Unanimous consent granted]

Introduction of Guests

The Deputy Speaker: Go ahead, hon. member.

Ms McLean: Thank you, Madam Speaker. I've noticed in the gallery Manon Plante, who is one of our ADMs in Service Alberta. She has joined us in the gallery with whom I presume are her children. That is correct. I'd like to welcome them to the House. I'd like to have Manon stand and have us all greet her with the warm introduction and greeting of this House.

Government Bills and Orders Second Reading

Bill 24

Forest and Prairie Protection Amendment Act, 2016

(continued)

The Deputy Speaker: We still have a minute on 29(2)(a) if anyone has any questions for the hon. member.

Seeing none, are there any other speakers wishing to speak to the bill? The hon. Member for Athabasca-Sturgeon-Redwater.

Mr. Piquette: Thank you, Madam Speaker. It's my privilege to rise today to speak in favour of these amendments. I think that they are long overdue and quite necessary. Now, does it mean that we're going to be able to avoid forest fires going forward with these types of changes? Well, I mean, unfortunately, you know, in the type of climate we live in, these are a fact of life for us, but I do think that these are very powerful tools to help us reduce the number of wildfires we have to deal with.

Now, as other speakers have noted, these amendments are supported by recommendations coming out of the Flat Top Complex after Slave Lake and also learning from, of course, the devastation that occurred in Fort McMurray this spring and then, of course, other fires that started around the same time. I mean, I think that – actually, I'm not sure if all members in the House are aware of just how close we came this spring to a perfect storm, where we had, you know, so many fires breaking out in so many different areas that we would have actually reached the point where our resources would have been strained. Fortunately, we didn't reach that point, and I think that a lot of the credit goes to, you know, the very proactive actions of members of volunteer fire departments and county emergency services, even on occasion an MLA or two in this House that got on top of the fires that, had they got out of control, would have caused some real problems for us.

Now, I know I speak for, you know – we actually had a fire around the same time in the Opal natural area in our area that potentially had been caused by off-highway vehicles. There was a lot of concern that, you know, things were so tinder dry that we could have had another fire up in Redwater as well. Some of the actions that our government took to restrict off-highway vehicle use

during that time were absolutely critical to make sure that this didn't happen, so I'm gratified to see that we're actually making sure that this is now in legislation.

You know, the enhancements being proposed – the enhanced fines, the improved public safety and wildlife prevention measures, and the operational amendments – make this bill and are going to take us quite a long ways to deal with this.

This is something where, you know – I don't want to echo the comments that I heard some members of the House make last afternoon, but definitely sometimes people don't quite get the gravity of starting fires during, you know, fire bans. I think it was just after we got sworn in last summer, during the Wabasca fire evacuation, I actually saw incidents where you had evacuees from the Wabasca fire starting fires while they were camping. At that time it's like – for some people it does seem that the penalty has to be increased in order to change the attitude towards the action. Although I think for the vast majority of people no penalty would even be necessary with this type of thing – I mean, you understand what the consequences are – but unfortunately there's always that small minority of people that, you know, don't perhaps weigh the potential consequences adequately, but the fine provides an incentive. Now, of course, there's a limit to how much incentive or how much deterrence you can get from a fine, but I think we're striking the right balance with the increase this year. You know, I think that's been validated by the 96 per cent support that respondents gave when we did a survey on that.

Now, down to restricting off-highway vehicles during times of extreme danger, as I said just in my introduction, I think that doing this on a temporary basis was critical this past spring to make sure that the situation didn't become even worse. Once again, this is an issue where you have a very small number of people who perhaps aren't quite aware of just the potential gravity of their actions. You know, the majority of ATV users are, of course, responsible people. They keep their vehicles clean. That being said, though, I mean, when it gets dry enough, a bit of long grass and hot exhaust is enough to spark something off. I think that sometimes these bans, you know, as unpopular as they may be, are totally necessary, and I'm gratified to see that this is in the legislation, as I know are firefighters across the province.

Also, being able to ban incendiary ammunition: I think that is just absolutely critical. I mean, I've seen situations during the height of the fire season, where you had people setting up these targets, right? They set up these targets, and they shoot that in trees. You know, it doesn't take a lot of imagination to see what possible consequences intentionally starting fires in secluded wildlife areas can have.

I think these proposed amendments are sensible and, you know, maybe overdue. Also, I think what's overdue is the recognition that our climate has changed. Whereas it used to be that your early spring would be cooler and wetter, there'd be less chance of a fire, now, I mean, things have shifted to the point where, you know, you have that dangerous early spring window where things are still tinder dry, and then you get those winds come up and extremely dangerous conditions. You know, we've been dealing as a province with this on an ad hoc basis, as if things would simply return back. Well, it doesn't appear that the clock's going to be turning back, and early hot springs are the new reality for our province, and it's a reality we need to adjust to, so having the fire season start on March 1 rather than April 1 I think will make sure that we are better prepared on an ongoing basis for when we'll start.

I mean, that being said, I'm not at all implying that we weren't prepared for what happened in Fort McMurray. It's just that, you know, it's better to have all our ducks in a row earlier just as a

matter of course. In that way, the preparations are well under way, and we have our personnel in place when the season starts.

9:30

Now, there are some other items regarding local repayment for certain types of fires, things like that. I think some of the issues may be what is talked about in Committee of the Whole, but, I mean, there's a lot of other good stuff in this bill. On second reading, you know, we have enough in here that I think this is a bill that deserves unanimous consent of the House, and I'm hoping to see that this will get it after we go through a fairly speedy passage because I don't think there's a lot dividing us on this issue.

Thank you for your time.

The Deputy Speaker: The hon. Member for Grande Prairie-Smoky under 29(2)(a).

Mr. Loewen: Yes. Thank you, Madam Speaker. Now, the last time I stood up under 29(2)(a) – I just wanted to clarify. I'm allowed to make comments and questions under 29(2)(a). Am I correct?

The Deputy Speaker: That's correct.

Mr. Loewen: Thank you very much. Okay.

Now, I think one of the greatest concerns here is not that Bill 24 doesn't do some great things, but I think what's of utmost importance and what's on all of Albertans' minds right now is: what is Bill 24 going to do to keep another Fort Mac or Slave Lake fire from taking place? Now, we see some things in here that will reduce the opportunity for fires to start, but once fires start, we need to know how to protect these communities, and there could be other communities in Alberta that have this same issue. So I think what's foremost on people's minds right now is: how can we reduce the opportunity for something like Fort Mac or Slave Lake to happen again? Obviously, that was catastrophic.

Now, on this side of the House we've asked for clarification, more information on this bill, and we would love to have the minister get up and explain more, give us more information so that we can understand what is being attempted in some of these changes with Bill 24. Some of these things may be perfectly legitimate, but until we can have some questions answered and some clarification, then it leaves us with some uncertainty.

Now, we talk about – where to start? We talked about section 31.4, where there was a change from “product” to “thing.” Of course, we would like to find out: what was the reason for using the word “thing”? Now, there might be a perfectly justifiable reason for it, but until we have the minister explain that to us or somebody from the other side that has the knowledge of the reasoning of why that word was changed, then we really don't have that clarification that we desire.

We also have a concern under section 23, where it talks about “an industrial or commercial operation on public land or within one kilometre of . . . public land.” Why couldn't we have something in there where these industrial, commercial operations – why couldn't it say something like: “that could reasonably pose a fire hazard”? Obviously, some businesses – let's say a home-based business that happens to be within one kilometre of public land – may not reasonably pose a fire hazard. Others, of course, could, and then it could be perfectly justified. Of course, we also have some concerns, too, about: “public land” is a pretty general term and may include land that I don't think this bill necessarily desires to include.

Now, the member that just spoke talked about tinder-dry springs, and definitely this spring we had one of those years where it was extremely dry. I do want to ask him how he feels about his government in their budget not accounting for enough money to

cover even the average of the cost of firefighting and also their government cutting the contract of fire bombers by a month. I'd like to find out his feelings on that, how he feels about things like that in years when we have such tinder-dry springs.

Obviously, the government is starting the fire season earlier, which is something the minister could do at any time. Maybe that'll give some opportunity for the minister to enact some preventive measures to help fight fires. There are all sorts of good things here that appear to be happening in this bill, but again, without the clarification that we need to have, we don't know what is fully being contemplated here. Yesterday in this very House we asked many questions.

Speaker's Ruling

Question-and-comment Period

The Deputy Speaker: Hon. members, this is probably a good time to just do a little bit of a refresher, clarification on the intent of 29(2)(a). It says:

Subject to clause (b), following each speech on the items in debate referred to in suborder (1), a period not exceeding 5 minutes shall be made available, if required, to allow Members to ask questions and comment briefly on matters relevant to the speech and to allow responses to each Member's questions and comments.

I've tended to give a great deal of leeway on this because it seems to be the will of the House to allow members to continue their speech or use it for that kind of thing, but the intent is really to be an exchange and a question. You can make comments, but the intent is to allow the previous speaker to give some responses. As well, I'd encourage you to try and keep your comments and questions under 29(2)(a) relevant to the previous speaker as opposed to general to the House. Again, as I say, leeway as long as it is the will of the House to use it in that way. I'd appreciate that.

Debate Continued

The Deputy Speaker: Any other speakers to the bill? The hon. Member for West Yellowhead.

Mr. Rosendahl: Thank you, Madam Speaker. I'm happy to rise today and speak about the Forest and Prairie Protection Amendment Act, 2016. We've got to understand that the main objective of the bill is to enhance fire prevention. Of course, the enforcement is a huge part of it, ensuring that people are following the right rules and the intent of the act.

When we look at the different programs that are out there, especially in West Yellowhead, being a constituency where we are basically living in the forest – we've got many small communities that are actually etched right out of the forest itself. The forest is right there, as in what happened in Fort McMurray.

We're definitely in full support, of course, when we look at the FireSmart program and trying to buy extra time for communities to deal with fire that may be surrounding their community or hamlet or in the case of villages near lakes and stuff like that. But it's important to understand that the FireSmart program is just a tool that's used to buy more time. When I've talked to different forest firefighter people about this: it buys you a little bit of time but not a lot. So when we get back into, I guess, the meat and potatoes of exactly what the act is trying to accomplish, it is something that we really need, and it's been needed for a long time.

The other issue that really is important to consider is the pine beetle. The pine beetle is a huge problem for the western part of my constituency in particular because of the fact that once the trees are all dead, we've got a huge fire problem. You can witness that when

you go into Jasper national park, or you can go even farther west of that and look at what has happened in B.C. The forest fire concern there is huge, and with the fact that when you look at the idea of the westerly winds that can fan a fire, say that it did get started, how would you deal with such a huge mess?

9:40

Really, when you look at the purpose of the act, it is saying: okay; we're going to fine different people for doing things or companies when they do things out on the landscape. When we're looking at this, especially when forest companies pile up their debris from forest operations, for example, if we don't have particular rules about when they burn these piles, it can get away on you.

We had such a fire a few years ago, when construction was going on on a particular piece of highway, and for some reason or another the workers thought they could burn the big brush pile that was created. Guess what? It got away on them. What was further concerning was the fact that because we have chinooks in that area quite extensively, well, the fire really got big and out of hand. The problem was that they had no way of putting it out because your lakes are frozen and everything else. So these are the things, when you look at the act, saying: we need to make sure that when you do these things, if you don't do them right, the fines are big enough to make you think about what you're doing.

The other issue that we have very extensively in West Yellowhead occurs on many of the long weekends and weekends in the area because people come out to enjoy the scenery and everything else. But what do they do? They come out and they randomly camp. They don't want to go into the parks or anything else because the fact is that they have the ability to run their OHVs, whether they're quads, trikes, motorbikes, side-by-sides, and all these things. They bring them out to the area and have a great time.

Of course, when they do that, what happens? The possibility of fires created by OHV use is huge, and so is the fact about the random camping and the campfires that they build. They have their campfire in the morning, and they go quadding, and guess what? The fire is left abandoned. It shouldn't happen, but it does. We've had situations in the area where fires have gotten away. They were lucky that the forest company came in and got it out before there were huge losses. Nonetheless, this occurs on a regular basis. The thing is that it's important when you look at some of the aspects of the act, in hopefully trying to deal with this, that the understanding be there so that there are consequences, because right now there aren't any. So it's important that we look at that in dealing with it.

Also, we look at in the Hinton area the huge Hinton forest fire training centre. It is well supported by this government. You look at the manpower and the hours of training to get the forest fire people trained to adequately deal with fires. A lot of people don't know that they even have the pilot training in the centre, where they can go in there and actually sit in the cockpit of a water tanker or the plane that flies in front of the water tanker and learn how to fly it. I had a great time doing that until I crashed a few times, but it was a lot of fun, learning how to do this and the training that's provided and the hours that go into this.

So it's important that we look at this and say: we need this act; we need it to protect our forests. Also, when you look at the jobs, there are many communities in West Yellowhead that rely on forestry and the jobs and the communities that it supports.

I'm very supportive of this act, and I hope that everybody supports it. Thank you very much, Madam Speaker.

The Deputy Speaker: Under 29(2)(a), Edmonton-McClung.

Mr. Dach: Thank you, Madam Speaker. I rise to ask a couple of questions, make a few comments to the questions raised by the Member for West Yellowhead. I know that he speaks with a vast amount of experience from having been an employee in our Alberta parks service over the years. He's spent a lot of time in that environment, in our forests, and understands exactly the dangers of a dry forest and forest fires. I know that he has expressed to me in the past some concerns about the limited amount of power that some of the officials who work in the forest had against those contraventions they might have come across when they were patrolling in forested areas.

I'm just wondering: given his experiences what benefits does he see arising out of giving the power to issue tickets to peace officers, to forestry, fish and wildlife officers, and to conservation officers, who previously weren't able to actually issue tickets and under this bill will now be able to do so? What benefit does he see, from his past experience, in empowering these officials to actually ticket when they come across contraventions?

Mr. Rosendahl: Thank you for the very important question. It is important. Before, it might be the forest officer that might be out there on the land base and that kind of thing, and of course there was always the inability, with the numbers, to be everywhere. You can't be everywhere. That is part of the problem. When you have the huge number in tourism that occurs in our constituency – for example, you can have small towns arise just on the weekends, where there are hundreds of people in groups all over the place, scattered throughout the Rocky Mountain base and foothills in the constituency – you can't cover everything whereas under this proposal it gives more ability for other people to be out there for different things who can issue tickets for this. It's important that this act does that because it puts more people out there watching and seeing what's going on.

So it is important. This is a very important part of it, to allow more people to issue tickets, and hopefully it will prevent some of what I call silliness that goes on out there. It doesn't matter whether it's the use of the OHVs or random campfires that are abandoned and these kinds of things. It happens all the time. If you get more people out there, hopefully this will be dealt with, and maybe people will take more responsibility for their actions.

Thank you very much.

The Deputy Speaker: Under 29(2)(a), the hon. Member for Lac La Biche-St. Paul-Two Hills.

Mr. Hanson: Thank you very much, Madam Speaker. You know, I agree with you a hundred per cent that having more people out there enforcing might be a very good thing, but I just have a question for you. As a member representing a heavily forested area like West Yellowhead, how did you feel last spring when your government cut the wildfire budget and cancelled the bomber contracts?

9:50

Mr. Rosendahl: Thank you for the question. I did review that very concern with the minister at the time, and he assured me that it wasn't going to affect the forest-fire fighting ability that we had in place at the time. He assured me that it wasn't going to change the way in which they could address the issue of forest-fire fighting and that kind of thing. It was important to us. Because of that very concern, I asked the minister that question, and he assured me that it wasn't going to affect it.

Thank you very much.

The Deputy Speaker: The hon. Member for Banff-Cochrane.

Mr. Westhead: Thank you, Madam Speaker. Just a question to the member. I know that the member has got some forestry companies in his constituency, and I mentioned in my speech yesterday how . . .

The Deputy Speaker: Any other members wishing to speak to the bill?

Seeing none, do we have anyone to close debate? The hon. Member for Red Deer-North to close debate.

Mrs. Schreiner: Thank you, Madam Speaker. I would just like to reiterate that the objectives of the Forest and Prairie Protection Amendment Act, 2016, were to enhance wildfire prevention, enforcement, and operational activities. It was all about the protection of Albertans, all Albertans. Some of the proposed amendments were talking about strengthening penalties for violations; improving our ability to restrict activities that can cause wildfire like off-highway vehicles when fire conditions are hazardous; improving our authority to stop actions that interfere with firefighting, including restricting drones; to designate March 1 as the official start of fire season; and to clarify operational processes, roles, and responsibilities.

Madam Speaker, I appreciated all the comments and support of the amendments from both sides of the House. At this time I would like to close debate on second reading of Bill 24.

Thank you.

[Motion carried; Bill 24 read a second time]

Bill 21 Modernized Municipal Government Act

[Debate adjourned November 1: Mr. Smith speaking]

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

Mr. Cyr: Thank you, Madam Speaker. I rise this morning to speak on Bill 21, the Modernized Municipal Government Act, at second reading. The MGA is a substantial piece of legislation which is a result of years of stakeholder consultations, reviews, studies, and thousands of hours of discussion. There are many people who must be thanked for their contribution to modernizing our MGA. This was certainly no easy task.

There is no magic wand to wave over a problem. However, through collaboration and thoughtful analysis we have a real opportunity to make this piece of legislation work for all Albertans. Local government is the sphere of government closest to the people, and they provide many of the basic services citizens depend on daily. This includes protection of persons and property, local transportation networks, planning and development, public utilities, critical social services, and, of course, parks and recreation and culture, just to name a few.

This summer I travelled across my constituency meeting with residents, including local citizens, elected municipal leaders, and industry stakeholders, on the proposed changes for Bill 21. There's been a wide range of issues raised. However, one thing I heard repeatedly was the question: are taxes going up again? This was important: are taxes going up again? Madam Speaker, Albertans are being taxed from every angle in Alberta, especially the middle and working classes. On the federal side the federal government has increased EI and CPP deductions, cut income splitting, and more recently doubled down on the job-killing carbon tax by proposing a carbon levy of their own of \$50 per tonne by 2022.

On the provincial side the NDP government has gleefully raised personal income taxes, increased user fees on almost every

government service, and of course that doesn't even include the NDP's own carbon tax on everything, which will raise gasoline and home heating prices beginning January 1.

On the municipal side taxpayers are hit with education and municipal property taxes and fee-for-use services like libraries and public transportation. This year alone Alberta raised 32 per cent of its Education budget through education property taxes charged to each property owner. While the tax itself is collected by municipalities, it is levied by the province. According to the *Edmonton Journal* this year's education property tax increase resulted in a typical Edmontonian family or household, assessed with a house at \$401,000, paying at least \$75 more in education property tax, based on initial calculations.

The constant march toward ever-increasing taxes is making things harder, and this is definitely affecting my riding of Bonnyville-Cold Lake as many of my constituents are saying that they don't have work or have reduced hours of work. That makes it harder to balance the family budget, heat their homes, and put food on the table. After seeing that, I was happy to see that Bill 21 included no new or additional taxing powers being granted by municipalities. It is nice to finally see some restraint coming from this government.

While Albertans may not face any additional taxation from municipalities, that alone does not solve the systemic issue of chronic underfunding of basic municipal grants such as the MSI, or municipal sustainability initiative. I have heard municipalities repeatedly asking, pleading for long-term predictability and a sustainable funding model, that they, unfortunately, were left disappointed with.

I am very disappointed to see city charters included not in Bill 21 but, rather, through backroom cabinet negotiations implemented through regulation. This government had the opportunity to do things differently, to improve on practices of the previous government. However, they chose to continue the regulation process that was set by the past government. Because this government refuses to address city charters through Bill 21, it is natural for people to wonder whether or not they will see additional tax increases through the city charter back door.

We are waiting to hear from the government just what these regulations will be for charter cities, but we've been told that they're not even written yet. This is the process we think must be discussed in the House, including engaging the people, the very people that may be taxed within these regulations. We are waiting to hear from the government just what these regulations will be for these charter cities. Again, how can we move forward with Bill 21 without any engagement?

10:00

I would like to take a moment to discuss the issue of centralized industrial assessment. Bill 21 proposes to centralize all industrial property assessment within the Municipal Affairs department. The cost associated with centralized assessment will be covered from the individual property owners, but the exact details are unclear. It is certain that municipalities will be left holding the bag for unpaid assessment fees, much as they are currently left responsible for unpaid educational property taxes.

Our concern with centralized assessment includes the loss of local autonomy, loss of established relationships between assessors and the industrial property owner, and concerns that the Municipal Government Board will be unable to handle all the assessment appeals in a timely manner. We recognize that there have been huge discrepancies in the way some industrial properties have been assessed from municipality to municipality. As my hon. colleague

stated earlier, we hope that when we get to Committee of the Whole, there will be amendments proposed to address these concerns.

According to the government press release, the revised MGA will include the linking of nonresidential and residential tax rates. The proposal is for nonresidential tax rates to be no higher than five times the lowest residential tax rate. While there are provisions for those communities that exceed the 5 to 1 ratio, I believe there needs to be more robust conversation around this issue. Based on the information provided in Bill 21, I simply do not have enough information to make a judgment on whether the 5 to 1 ratio is justified or even if the ratio is justified at all. I look forward to hearing more from the minister on how the ratio was chosen.

Madam Speaker, I look forward to continuing debate on this bill through Committee of the Whole and third reading. Hopefully, we'll get some clearer answers from this government in the debate which will follow. The MGA review and this discussion have been an enormous undertaking for the ministry, their staff, elected officials of all varieties, and the many stakeholders. I want to thank everyone who was involved in that review. Its broad implications on local government make the work everyone has put into this act so important.

Thank you. I look forward to supporting this bill in second reading.

The Deputy Speaker: Questions or comments under 29(2)(a)?

Ms McKittrick: I'd just like to ask the hon. member opposite: what services does he or his family use in his municipality, and isn't he using the services that are paid by his taxes? I'm kind of really puzzled about this constant issue around the amount of taxes we pay. I'm just wondering how much of those services you're actually using, and isn't this a great benefit to you and your family?

The Deputy Speaker: The hon. member.

Mr. Cyr: Thank you, Madam Speaker. My family lives in the city of Cold Lake. We use all of the municipal infrastructure. We, too, believe that there needs to be balance in the services that we are using. I am glad to see that the MGA is bringing forward some needed results that we are all looking forward to.

I do say that in the end, though, at this point my family is fortunate that they have my income as an MLA coming in while there are a lot of Cold Lake and Bonnyville residents that have no incomes or have limited incomes coming in right now. So it's distressing when I hear from the government that we should be running forward with increasing taxes. I do understand the concern that says that we are using these services, so we need to pay for them – and I fully agree with that concept – but at what point do we start to actually make it hard for the most vulnerable families in my riding to not be able to feed themselves, clothe themselves, or heat their homes?

This is the true concern here because in the end their incomes rarely get adjusted upwards, and we only continue to see the cost of living increase. How can we justify these cost of living increases? I will tell you that if municipalities across Alberta right now aren't talking about their mill rates during these hard times across Alberta, then I would argue that they need to go back and review the situation of their local communities because right now people are hurting, and we need to hear those voices.

I thank the member for the question and look forward to a follow-up.

The Deputy Speaker: Any other questions under 29(2)(a)? The hon. Member for Calgary-East.

Ms Luff: Yeah. I also have an interest in the member's issues with taxes. I was just wondering if the member was aware that middle and lower income Albertans are not actually impacted by raises to personal income taxes. Those only start at \$125,000 a year. Also, are they aware that middle and lower income Albertans are not going to be affected by the increased carbon levy as they will be getting full rebates based on Statistics Canada numbers for how much gas and natural gas they use to heat their homes?

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

Mr. Cyr: Thank you, Madam Speaker. It's distressing that the government is using the carbon tax as not being a burden on our most vulnerable. Now we've heard a federal government that is looking like it's going down this road. When we start to discuss the fact that the cost of living does increase because of the carbon tax, the question is: how much?

We actually haven't had a study put out by the government that we can look at and say: is this an accurate view of where we're going to be seeing taxes implemented on our most vulnerable? So without the study, it is hard for us to be able to calculate the exact impact. But I will tell you that we as the Wildrose have come up with \$1,000 that it will cost a family, and from my understanding, it is just over \$600 that the government will be returning. That doesn't seem to be an equitable balance. If there are concerns with the government . . .

The Deputy Speaker: Any other hon. members wishing to speak to Bill 21 in second reading? The hon. Member for Cypress-Medicine Hat.

Mr. Barnes: Thank you, Madam Speaker, for allowing me the opportunity to speak to this bill, the Modernized Municipal Government Act.

I'm sure the summer was a busy one for the government with this act being presented to Albertans for review and comment. I know that for me personally I certainly heard a great deal about it, a lot of discussion, concern, and some anxiety waiting for what was going to happen. It was a time to hear from stakeholders, from experts, and from Albertans. The feedback we have received has been tremendous, and I'd like to thank all of those that communicated with me and participated.

10:10

Of course, this act, the MGA, forms the basis for the way we organize our municipal government in relation to the province. Given the fundamental importance of municipal governments in the lives of citizens, the discussions we have in this Assembly today and beyond will be incredibly important.

Madam Speaker, it seems that the more local the government, the closer it gets to the people and their needs and desires. I don't just mean geographically. I mean in terms of the impact it can have on the lives of everyday people. It only makes sense that healthy, strong communities are those that are supported with good, empowered local governance. The way we can support that as provincial representatives is through appropriate, well-debated, well-thought-out legislation, and I hope – I hope – that we take the time and the proper care to do that.

There are obviously a great deal of points and policy areas addressed by this bill. Of course, our time is limited in this reading, but I hope that I can touch briefly on a few. I know that we'll have an opportunity to discuss much more as the bill progresses through Committee of the Whole and third reading and as stakeholders make their points known.

Madam Speaker, my constituency of Cypress-Medicine Hat is somewhat uniquely positioned in this MGA discussion, being a very diverse mix of metropolitan and small-town urban but also with a very large rural municipal district, including a number of hamlets. Besides the diversity of businesses and nonprofits that exist largely within the city and towns, we are heavily – heavily – tied to the oil and gas sector, ranching, and agriculture. The city of Medicine Hat even owns its own utility.

Given all these various aspects that go into our social fabric and economy, the people of Cypress-Medicine Hat understand well the importance of ensuring that legislation maintains the right balance. When you have as many different factors to take into consideration as we do in southeastern Alberta, you have to be aware of how a large piece of legislation like this can impact all those different things, all the unintended consequences, all the impacts.

Madam Speaker, I know we've heard a lot about the big-city charters this summer, but I want to focus for a moment on the needs and concerns of some smaller municipalities that often fly underneath the radar, not only the municipalities that I represent but all small municipalities in general. I want to start with the intermunicipal collaboration framework, that being section 131 of the bill at page 105. This mandates that all municipalities that share a common border outside of the Calgary and Edmonton growth management boards must adopt an ICF within three years.

Now, I'm certainly not opposed to collaboration, and I think that many aspects of the delivery and planning of regional services lend themselves to a collaborative approach. It's also prudent to encourage municipalities to work together on things that are in their shared interest and where it makes sense. Madam Speaker, some of the smaller municipalities that do not have the capacity to have development departments or dedicated staff to put together and implement an ICF might be squeezed a lot by this.

This is a concern we've heard, and it's a concern that my colleague from Livingstone-Macleod brought to this Assembly's attention yesterday, I believe. Madam Speaker, I have heard this concern time and time again. I support the intent and aim of the collaborative approach, but I do want to ensure that smaller administrations in this province don't get unduly burdened by changes and that we make sure we're considering their unique needs and circumstances. This is something I'm sure we can discuss in more detail in the days and weeks to come, but it's also something we have to keep our eye on for the arbitration process and the potential unintended consequences of that on Albertans' communities and Albertan taxpayers.

Madam Speaker, there's another section here, section 23 of the bill, that deals with centralized industrial assessment. Now, I mentioned earlier that there is a great diversity of economic activity in southeastern Alberta, including the industrial sector, the greenhouse sector, so the issue of assessing industrial property is naturally of great importance and significance. You know, we talk about local decision-making in this Assembly. What could be more relevant to that than a discussion of this MGA? This is the core of municipal local government right here.

In that vein of local decision-making, empowering good people close to the community, with their ears close to the ground level to hear local concerns and needs, I want to express that I think we could stand to clean this section up in some different ways. Madam Speaker, as it is now, I've heard stakeholders, stakeholders including the AAMD and C, express that there is a loss of autonomy here for municipalities, that could adversely affect them. Of course, I realize that on the flip side there is an argument to be made that centralizing assessment may bring some streamlining efficiencies. Linear is already being assessed centrally, as I understand the process. However, that local authority comes with local knowledge

of the properties being assessed. I feel that it is good to maintain that strong connection to the community, the ability for citizens to be involved in their taxation process, their representation process. All the nuances might not be properly captured by, yet again, a one-size-fits-all approach from a government intent on centralizing.

Madam Speaker, I think that there's also the potential for the touted cost savings and efficiencies to fail to materialize. We may not save money. It may cost more. Local assessors might still be retained to verify the provincial assessments. Furthermore, these municipalities might lose some of the flexibility afforded to them under the current system. Most notably, the lack of annual on-site visits by assessors will result in assessments that are less responsive to local changes in property values. My goodness, have we seen that in the last two years, especially in our oil and gas industry and the hardship that so many good producers have faced there. Overall, I think we find that keeping this under local authority has its own advantages and ought to be strongly reconsidered.

I'd also like to make sure that we address the issue of stable and predictable funding moving forward. This bill is very, very vague in that area, but it's something we've believed in in this caucus for years. Madam Speaker, revenue sharing of statutory grants comes up over and over again from stakeholders and for a very good reason. Our local leaders need the flexibility to plan for their communities, but they also need a predictable outlook that allows them to make good, well-informed, the best for local people decisions. Revenue sharing from the province, in whatever form it takes, ought to be transparent and steady.

I think back to this current government's change with the grants in lieu program and forcing that cost in a less than fully transparent way across all ratepayers, all property owners across Alberta: the unintended consequences of taking more money out of our local communities, the hardship on property owners having to plan and in some cases raise their rents and raise their costs. When I talk to people in Medicine Hat, some believe that the province of Alberta owns or rents 60 properties. Their fear is that if this kind of program could continue across that basis, it could present some further hardship. Again, Madam Speaker, I would encourage this government to be as open and transparent as possible. It's something that we all criticized the last government for.

10:20

Madam Speaker, these concerns are just a small sample of everything we could discuss, but I think I'm running up against the time limit shortly, so I'm going to leave it there for now. I'm glad that I've received so much constructive input from so many Albertans, so many good councillors, so many good landowners, so many good citizens that rely on our services, and I hope that in the days ahead we all take the time to listen and we all take the time to get this act right. It's crucial that we take all of these perspectives into account and find the balance that allows our municipal governments to thrive and grow for the sake of all Alberta communities, for the sake of all Alberta families, and for the sake of all Albertans.

Thank you, Madam Speaker.

The Deputy Speaker: Any questions or comments under 29(2)(a)?
The hon. Member for Calgary-Mountain View speaking to the bill.

Dr. Swann: Thank you very much, Madam Speaker. A pleasure to rise and speak on Bill 21, Modernized Municipal Government Act. This act is good news, I think, for Alberta, in the works for many years under the previous government and now seeing some important review and positive changes that I hope we can make

even better by the end of our debates. The act is being amended in two phases. The first phase, introduced under the PC government in the spring of 2015 by Bill 20, the Municipal Government Amendment Act, 2015: largely consensus items that came out of the initial MGA review process. The second set of amendments are a result of the review that the new government has taken, its own consultations, and some key changes that I think, in the main, are positive. The last consolidation of the MGA for the record took place 20 years ago, so it's appropriate and important that we review these issues.

In July of last year the new government announced that it would be providing municipalities under the municipal sustainability initiative \$877 million in MSI funding in the 2015-16 budget. That's \$3 million less than what was proposed in the spring budget put forward by the PCs and still a far cry from the \$1.6 billion in annual MSI funding that had been promised under the previous government. This government, the NDP government, has not said that it is committed to funding the MSI at a particular level. I think that's an important issue, for municipalities to have some sense of certainty. No government at any level can properly plan and implement the necessary infrastructure and services without some more clarity and sustainability in their funding sources.

The NDP government has said, "We'll provide stable, predictable funding to both large and smaller municipalities and ensure they have resources they need to fulfill infrastructure priorities, such as transit." That was from their 2015 election platform. Given that we still are fairly dependent on one revenue source in Alberta, it may take some time, but we look forward to the ability and the willingness of this government to provide some certainty around this.

With respect to industrial and linear tax revenue in its 2015 election platform the NDP said that it will "sit down with local government stakeholders to review the question of linear assessment," an issue that the NDP is following from a Liberal initiative of 2008. It's an important consideration. I think we need to look at fair distribution. We're one province. We have limited new revenue sources without new taxes. We think it's an important initiative, and we would certainly support examining the more fair sharing of \$1.9 billion in industrial taxes between the cash-poor towns and the cities and some of the cash-rich counties. So we support this important review and finding a way in which all Albertans can win.

With respect to regional planning former Municipal Affairs Minister Bilous said that the NDP will legislate participation in growth management boards for those municipalities in the Calgary and Edmonton regions specifically. Presently participation in the Calgary regional partnership is still voluntary. While participation in the capital region is mandatory, I don't see that there's been a lot of lost opportunity there. We would certainly support making it mandatory in Calgary as well. Without bringing people to the table, we're wasting time and we're wasting decisions. One cannot make decisions without everybody at the table in a regional partnership. At the very least, since we've made so little progress in Calgary over the last decade, I think there's reason to believe that it's now time to move, and making it mandatory to be part of the decision-making I think is appropriate.

With respect to affordable housing in their election platform the NDP said that it will "expand the powers available to municipalities to allow them to mandate affordable housing in new development projects, expanding the supply," another item that we believe strongly in, especially for Calgary and Edmonton, but it should also be granted to other municipalities through appropriate changes in the MGA. More recently the NDP confirmed its intentions to allow for inclusionary zoning, and we support that.

With respect to city charters the government has said that it will "work with Alberta's cities to ensure the City Charter process is mutually developed and respects cities as economic and social drivers . . . giving them the tools to build the services their residents expect." Well, that's an appropriate initiative, and we have supported this need for a number of years as well, including giving cities more power to tax but limiting that taxation power and not including such taxes as income tax, sales tax, and those taxes that are currently under the jurisdiction of provincial and federal governments.

With respect to oversight of municipal decisions by the Alberta Ombudsman we have not taken a position yet on this. We are continuing to consult about expanding the role of the provincial Ombudsman to include its ability to investigate municipal decisions. There is some argument, though, to be said for having an outside review, which the government calls, quote, validating procedural fairness, end quote, and we have not closed our minds to that possibility. I look forward to the debate on this and hearing more from the urban municipalities. Especially the smaller municipalities may well benefit from having some oversight from the Ombudsman. It may not be as important for the large urban settings.

With respect to urban drilling we've said that municipalities should be able to decide for themselves if they want to allow oil and gas drilling within their own boundaries instead of this being decided by the Alberta Energy Regulator, and we stand by that.

I think I've covered most of the issues. We support stand-alone legislation, then, with respect to city charters for Calgary and Edmonton, with the perspective that new powers and autonomy are key for some of the extra demands that the large cities experience. I look forward to hearing more details about what that might include.

With respect to those extra powers in the big cities Ontario, for example, has authorized that the city of Toronto through its charter can generate extra revenue, but as I mentioned, they too have limited it and excluded wealth tax, fuel tax, and general sales tax, which I think is appropriate. There are a number of other options available to cities to bring in more revenue.

10:30

We believe that accountability mechanisms for new taxes already exist in the form of municipal elections. If local governments decide to increase taxes, they will be accountable, just as the provincial government is accountable if it changes tax revenues on the people of Alberta.

One other issue that I haven't heard discussed is the grant in lieu of tax on government-owned and -supported social housing. In October 2015, soon after the new government introduced its first budget, the Alberta Urban Municipalities Association issued a news release saying that the province is renegeing on its obligation to pay a grant in lieu of tax on government-owned and -supported social housing. Previously, the government exempted civic agencies like Calgary Housing and Capital Region Housing Corporation from paying property taxes on their affordable housing properties and covered off municipal revenue losses with grants from the Alberta Social Housing Corporation. This represents a downloading, according to the AUMA, of about \$15 million in costs onto the shoulders of municipalities, who are already struggling to address infrastructure deficits as a result of shortfalls in federal and provincial funding.

With Edmonton and Calgary being impacted at roughly \$5 million to \$6 million each and other municipalities across the province collectively bearing another \$4 million in costs, AUMA called for a decision that would reduce this extra burden. I think we

concur with that. The province should continue to pay property taxes on behalf of seniors and social housing facilities and not download this cost onto municipalities.

Finally, with respect, then, to the municipal campaign finance and disclosure legislation, we support amending the Local Authorities Election Act to ban corporate, union, and anonymous donations, to limit campaign spending to a specific amount per resident or elector, and to reduce the maximum allowable contribution amount from the current \$5,000 to dissuade candidates from relying too heavily on the financial support of a few major donors.

We also propose making municipal political contributions eligible for tax deductions, just as we do for the provincial and federal elections. Since municipal political contributions in Alberta don't presently represent a tax credit, we believe it may discourage some folks from seeking public office or contributing to municipal campaigns, to the detriment of our system of local government and democratic engagement.

Those constitute my comments, Madam Speaker. I look forward to listening further to some of the debate. Thank you.

The Deputy Speaker: Any questions or comments under 29(2)(a)? Seeing none, any further speakers to the bill? The hon. member for Olds-Didsbury-Three Hills.

Mr. Cooper: Thank you, Madam Speaker. It's a pleasure to rise this morning in the Chamber to discuss what is a very important piece of legislation. I know that in the outstanding constituency of Olds-Didsbury-Three Hills there are 13 different municipalities, and many of those municipalities have taken a lot of interest in this bill and in this process. As has been mentioned on numerous occasions here inside the Chamber, this is a process that has been ongoing over a number of years and is very important.

As you know, Madam Speaker, the process of this Chamber is a passion of mine, so I'd like to commend the government. I know that it doesn't happen all too often. I'd like to commend the government on introducing a piece of legislation, consulting with stakeholders over a period of time, and then returning to the Chamber to discuss that.

I, of course, am of the persuasion that it would have been advantageous to refer this particular piece of legislation to a committee so that all members of the Chamber could have received the same sort of feedback that government received. Now, I recognize that all of the stakeholder events were certainly open to the public, and for that I also say thank you. But if it had been at the committee level, then all members of the committee would have likely been able to attend all of the meetings or at least have the same presentations, made by organizations like AAMD and C, AUMA, the Alberta Assessors' Association, all at committee. I think that we still have that opportunity. I just have a sneaking suspicion that at some point in time during my remarks I'll make a recommendation to the Assembly around that because this piece of legislation is vast.

As you know, Madam Speaker, it is significant, we've heard on a number of occasions, the second-largest piece of legislation that is currently on the books. It's important because it affects Albertans in a way that some Albertans may not be aware of because it affects the local governance of their community. It does have a direct impact on all of them. So it's critical, as my colleague from Cypress-Medicine Hat mentioned, and it is important that we get it right.

I'd just like to take a little bit of time and highlight a number of areas that, quite frankly, the legislation isn't perfect in. I know it's hard for you to believe that legislation that is presented in the House

from time to time isn't perfect, but that is the fact. Oftentimes legislation needs amendments, and one of the things that the opposition takes pride in is providing amendments to legislation, sometimes because we disagree with legislation but always with the desire to try to make that legislation better or stronger for all Albertans. Even when we agree, Madam Speaker, the opposition feels and believes that it's our job and responsibility to ensure that the legislation we pass is as strong as possible.

I think you'll probably recall a debate around Bill 1 in a previous session, where there was a unanimous agreement amongst the members that getting corporate and union donations out of the political process was a positive. But even then we offered up a number of amendments to try and strengthen that legislation, which is our responsibility. So I can only imagine that we, too, will be proposing a wide swath of amendments to this piece of legislation because there are so many areas where it hasn't quite gotten it right or the opposition has more questions on behalf of stakeholders.

I'd like to just highlight a few of them that I think will make a very strong case as to why the next stage of this bill should actually be at a policy committee and not just at Committee of the Whole. There are so many areas; for example, the intermunicipal collaboration framework. Many municipalities, particularly in the region of Olds-Didsbury-Three Hills, have really great intermunicipal frameworks or agreements that they have been able to create. There are others who haven't yet accomplished that task, but I've found that the majority of municipalities have a general desire for collaboration with their neighbours.

One of the challenges, particularly for smaller communities – so, for example, in Olds-Didsbury-Three Hills we'd be talking about places like Acme, Linden, Carbon, Beiseker – is that oftentimes the costs of these frameworks and the additional planning resources that come along with that create some concern around smaller municipalities and their ability to get these documents completed.

10:40

If we look at another planning document, municipal development plans, and the requirement that all municipalities regardless of population will be required to create an MDP, I think that there are some very strong cases to be made that municipalities ought to have their plans in place so that members of their community, developers, or others have a general idea of the direction of that community. The municipal development plan in principle isn't necessarily a concern or a challenge, but even some of the municipal bodies are highlighting this as a potential concern or risk, particularly around the timeline or templates for these documents. I think that we need to take these recommendations into consideration.

We move to centralized industrial assessments. Madam Speaker, I think there are some very robust arguments on both sides of this discussion, some merits in ensuring that there is some standard all across the province. But there is also merit in local assessors, who know the region better than one giant, centralized organization that may be based hundreds of kilometres away from where the assessment is taking place. There are a lot of questions around this particular issue. So far I've highlighted three. I hope to highlight another 15 or so all around this conversation about: what is the best way forward for this piece of legislation?

You know, Madam Speaker, that even this government, which was elected on being open and transparent, although yesterday they were found in contempt of the House, breaking the rules of the Assembly, something that I thought I would never see from this government, committed to being more open and transparent, and we're seeing a real track record of them not. My concern is that the government also has chatted with stakeholders, received some of

the same feedback that we have, and, as such, is going to show up in the Assembly at some point in time in the next few weeks with an amendment that is probably about the same size as these documents that I'm holding in my hand, maybe 15, 20, 30, 40, 50 pages – who knows? – of amendments, that will be expected to be debated at Committee of the Whole, which, as you know, is a very quick process that allows no additional input from any outside stakeholders.

If there's one thing that we need to absolutely make sure of, Madam Speaker, it's that this piece of legislation needs to be right. So I commend the government for introducing the piece of legislation, consulting, and now coming back to the House. But if you only went half of the way and you don't finish the consultation with a discussion around the amendments, we will have done a disservice.

That's why I will propose an amendment to the bill. I'll wait until you have a copy, and then if it's okay with you, I'll proceed while the amendment is distributed.

The Deputy Speaker: Go ahead, hon. member.

Mr. Cooper: If it's fine with you, I'll proceed. I move that the motion for second reading of Bill 21, Modernized Municipal Government Act, be amended by deleting all of the words after "that" and substituting the following: "Bill 21, Modernized Municipal Government Act, be not now read a Second time but that the subject matter of the Bill be referred to the Standing Committee on Resource Stewardship in accordance with Standing Order 74.2."

Madam Speaker, all members of the Chamber will be familiar with Standing Order 74.2, which allows pieces of legislation to be referred to committee for further discussion and debate. One of the great things about that standing order is that "the committee may conduct public hearings on the subject matter . . . and report its observations, opinions and recommendations with respect to the Bill to the Assembly." This is a great opportunity for the government. Instead of proposing all of their amendments in one giant document here before the Chamber and then potentially – and I'm not saying that it's going to happen – rushing through that amendment in the Committee of the Whole process, they can actually go ahead and present all those recommendations on a clause-by-clause basis to the committee.

The AAMD and C, the AUMA, other vested stakeholder groups – in this case there's some significant discussion around affordable housing, so we could have individuals from the development community and otherwise come and speak to the committee, not just to the piece of legislation, which we've done a good job of consulting on already, but to what we can only imagine is going to be a significant amendment to this bill. As a result, then that piece of legislation can come back from committee, and I'm more than happy to ensure that that happens in a timely manner. That can come back to the House, and then we can proceed, having given the important legislation full and robust consultation at the committee level.

Let me just highlight, before the time has passed, some of the other very important issues around this bill. I think committee and all members of the Assembly, when it comes to actually voting on third reading, would be well served through the motion that I've presented. If we look at things like the 5 to 1 tax ratio, it would give us an opportunity to have a good working understanding of what the cross-jurisdictional tax ratios are. It would allow for communities that are already outside of the 1 to 5 threshold to express their concern around this – I know that there are some grandfathering clauses in the current piece of legislation – and to

make sure that they are well heard and that we have a real grasp and understanding of why that is important.

As mentioned by the minister just yesterday or the day before, discussion is around the splitting of nonresidential tax policy and that the MGA will allow nonresidential classes to be split into subclasses and taxed at different rates as defined in the regulation. Here's an interesting discussion about whether or not the discussion around that regulation should take place in the Chamber or at committee. You know, obviously, we have some concerns about this regulation, about these very important discussions taking place at the regulation stage and not at the legislation stage because it doesn't provide the same sort of certainty and understanding of exactly . . .

The Deputy Speaker: Thank you, hon. member.

Any hon. member wishing to speak to the referral amendment?
The hon. Member for Bonnyville-Cold Lake.

Mr. Cyr: Well, I would love to state . . .

The Deputy Speaker: Oh, my apologies. Standing Order 29(2)(a) still applies on this one. Do you want to speak under 29(2)(a)?

Mr. Cyr: Yes. That's actually what I was getting up for. I apologize.

I would love to hear a little bit more because he was cut off halfway through his comments.

The Deputy Speaker: Go ahead, hon. member.

10:50

Mr. Cooper: Well, thank you, Madam Speaker. Let me just conclude the sentence there that I was working on and wrap it up with a big bow around why it's so important that this motion pass. There is always this constant pressure and very real discussion that should happen around what should be taking place inside the regulations and what should be taking place inside the legislation, and it's a balance that we need to get right.

[Ms Sweet in the chair]

You know, municipalities have waited a significant period of time for this piece of legislation. To not rush this through this fall is totally reasonable for the committee to discuss what many believe to be significant amendments. The Minister of Municipal Affairs herself referred to the fact that she anticipates amendments, so I would strongly encourage the House to use the processes that are available to the House to ensure that we get the job right on the very important public policy that we pass here, that the legislation that we pass is, in fact, the legislation that stakeholders and, more importantly than stakeholders, Albertans need.

With that, I will encourage all members of the Assembly to pass this motion, and I look forward to debating it in committee.

The Acting Speaker: Thank you, Member.

Are there any other members wishing to speak under 29(2)(a)?
Cypress-Medicine Hat.

Mr. Barnes: Thank you, Madam Speaker. Thank you to my colleague for his excellent points and his amendment to have this bill go for the opportunity for further dialogue with Albertans and for the further opportunity to get it right. I remember several instances in here between 2012 and 2015 when this government was in opposition asking the past government to do similar things and the lack of success that that had and the frustration that that led to around Alberta and in this House. I'd like to ask the hon. member

if he remembers similar instances and what he thinks about that scenario.

Mr. Cooper: Well, thank you to my colleague from Cypress-Medicine Hat. You know, I very often have exact *Hansard* quotes from the Government House Leader when he was the leader of the fourth party or the fifth party – I can't remember which one it was at the time – chatting about the importance of committee and the importance of getting legislation right. It's not that we want to talk about these things forever and at significant length. It's about getting this right for Albertans. We've been sent to the Assembly to represent them and make sure that the legislation that we pass is in the best interest of Albertans, and I am a firm believer that the best way to do that, particularly on very complex, large pieces of legislation just like this, is for it to be done at the committee level. I have seen this government vote against this sort of transparency measure in the past, and I hope that that won't be the case today.

The Acting Speaker: Thank you, hon. member.

Any other members wishing to speak under 29(2)(a)? The Member for Calgary-South East.

Mr. Fraser: Thank you, Madam Speaker. To the hon. Member for Olds-Didsbury-Three Hills. You spoke about many different pages of amendments, up to maybe 20. In your experience is that not really changing a large portion of the bill that was presented to us already and has been consulted on? Effectively, it's changed. Does it make sense in your experience to debate now, before we've even seen these amendments, and then wait until after the constituency break, based on a timeline which gives us very little time before Christmas, or should we perhaps be able to see maybe some of these amendments as they become available if it's not going to go to committee?

The Acting Speaker: Thank you, hon. member.

Any other members wishing to speak? The Member for Athabasca-Sturgeon-Redwater.

Mr. Piquette: Thank you, Madam Speaker. I rise to speak in opposition to the amendment. I think this Bill 21, that's in debate before the House, is one of the most widely consulted on pieces of legislation probably ever seen. I mean, we're talking about changes that came out of a comprehensive review that was initiated in 2012.

There were extensive rounds of consultation in 2014 and 2015 that involved feedback from more than 1,250 written submissions, involved approximately 1,500 people at 77 in-person community meetings in locations across Alberta, 15 months of intensive policy discussions with municipal and ministry focus groups. Then this past summer, you know, with the proposed bill, after first reading we went out and toured the province. We went to 20 communities seeking feedback on the changes to the act. I mean, this is something that has involved all key stakeholders over a period of years, as members of the opposition have acknowledged.

I'm just a bit puzzled by what value-added we would have at a smaller committee level versus going to Committee of the Whole. I guess that perhaps the opposition has been bringing in a bit of a red herring on the concerns, maybe playing on the concerns of municipalities, in the sense that they're, you know, confusing regulation with legislation. Just to be clear, the minister has promised that when they're crafting the regulations accompanying these key changes, input will be sought from municipalities, key stakeholders, and the public again, so it will be an open and transparent process.

In this situation I do not think that, you know, referring this to committee will be worth the additional effort just simply because of the unprecedented level of consultation built into this process.

The Acting Speaker: Thank you, hon. member.

Are there any other members wishing to speak under 29(2)(a)?

Mr. Cooper: Thank you, Madam Speaker. It's a pleasure to rise. I thank the member for his comments. I believe that in my remarks I made very similar comments about how much we appreciated the fact that the government consulted broadly over the summer, all of the good work that was done. My esteemed colleague brought up the point of: does it materially change the bill? I guess we'll have to wait and see what the amendments bring, but if essentially we're going to have an amendment that is potentially the size of a new piece of legislation, perhaps we need to make sure that we can get input and feedback from them. So instead of presenting amendments in one large form, we could do it clause by clause in committee, and I think that that would be a much better way than potentially rushing it through.

The AAMD and C and the AUMA both made submissions that I believe, you know, encouraged the government to focus on 30 different areas. That is a significant amount of input. We need to make sure that the amendments that the government produces actually get it right. The best place to do that is committee, so I encourage the member to reconsider his position and vote in favour of the amendment.

The Acting Speaker: Thank you, hon. member.

Speaking under 29(2)(a), the Member for Lacombe-Ponoka.

Mr. Orr: Yes. I'd just like to ask the member to comment. I recognize that there has been some fairly wide consultation across the province in the summer, and for that I truly do commend the members opposite. But I think we need to be careful, and I ask the member to comment on this. Seeking consultation doesn't necessarily mean that there has been any sort of consensus arrived at, and I think that's maybe the issue that we're getting at here.

11:00

I would like to just refer to a letter which I have here from one of the municipal boards in my area that basically says that they're "extremely concerned with the proposal," and their concern is a centralized assessment agency, but that's not the point at the moment. We're talking about this particular amendment, which would be whether this should be considered in committee or not. Then they go on to say:

It has been suggested that the notion of centralized industrial assessment has been proposed based on the consensus of stakeholders. Through discussions with our municipal partners, including other municipalities, the AAMDC and the Alberta Assessors' Association we believe there is not consensus amongst them regarding this. Your clarification on this consensus [would help] us in understanding the basis for this proposal.

Yes, there's been consultation, but I do not think there's consensus, at least not from these organizations. I'd just ask the member to comment on that, please.

The Acting Speaker: Is there anyone else wishing to speak under 29(2)(a)?

Seeing none, would anybody like to speak to the amendment? The Member for Lacombe-Ponoka.

Mr. Orr: I'll sit down. The boss says no.

The Acting Speaker: Okay.

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

[Several members rose calling for a division. The division bell was rung at 11:02 a.m.]

[Fifteen minutes having elapsed, the Assembly divided]

[The Deputy Speaker in the chair]

For the motion:

Barnes	Fraser	Stier
Cooper	Loewen	Taylor
Cyr	MacIntyre	van Dijken
Drysdale	Orr	

Against the motion:

Babcock	Littlewood	Piquette
Carson	Loyola	Renaud
Ceci	Luff	Rosendahl
Coolahan	Malkinson	Sabir
Cortes-Vargas	Mason	Schmidt
Dach	McCuaig-Boyd	Schreiner
Drever	McKitrick	Shepherd
Feehan	McLean	Sigurdson
Fitzpatrick	McPherson	Sucha
Ganley	Miller	Swann
Goehring	Miranda	Sweet
Gray	Nielsen	Turner
Hoffman	Payne	Westhead
Larivee	Phillips	Woollard

Totals: For – 11 Against – 42

[Motion on amendment to second reading of Bill 21 lost]

The Deputy Speaker: We are back on discussion of the main bill. Are there any other members wishing to speak to Bill 21 in second reading?

Seeing none, are you ready for the question?

Oh, my apologies. The hon. Minister of Municipal Affairs to close debate.

Ms Larivee: Thank you very much, Madam Speaker. I certainly am hoping for great support to move this forward. Municipalities desperately need at this point some legislation that is current and reflects the realities of modern Alberta and not Alberta 20 years ago.

Madam Speaker, thank you very much for this opportunity. I look forward to seeing great support for moving this through second reading.

[Motion carried; Bill 21 read a second time]

11:20

Bill 25 Oil Sands Emissions Limit Act

The Deputy Speaker: The hon. Minister of Environment and Parks and minister responsible for the climate change office.

Ms Phillips: Well, thank you, Madam Speaker. It is my privilege and honour to rise in this Chamber to move second reading of the Oil Sands Emissions Limit Act, Bill 25.

Bill 25 establishes a 100-megatonne annual limit on oil sands emissions. The emissions limit legislation, the idea, the genesis for it, came to us through collaborative conversations between the oil sands industry, First Nations, municipalities, and environmental groups. The Oil Sands Emissions Limit Act is part of the climate leadership plan. Announced last year on November 22, 2015, the

plan establishes, amongst other things, an economy-wide price on carbon, a phase-out of coal-fired electricity, an energy efficiency strategy, a methane reduction strategy, and, importantly, this 100-megatonne limit on oil sands emissions.

Now, Madam Speaker, the concept of a limit on emissions is a new one for energy-producing jurisdictions. What it does is that it proves that Alberta is serious about our commitment to being a world-leading energy-producing jurisdiction, in which we use the power of innovation and technology to move the province forward in what we know is a carbon-constrained future. What this bill does is that it establishes government as a productive partner in that quest to reduce the carbon in the barrel. The government of Alberta was a productive partner in getting the oil out of the sand in the first place, and now we will be a productive partner with our partners in industry to reduce the carbon in the barrel.

What this bill signals, Madam Speaker, is that our province, our government believe that industry, our largest job creators, can rise to the challenge of a carbon-constrained future. What it does is that it establishes government as a productive partner in finding ways forward rather than rejecting the science of climate change or rejecting action, which is a de facto rejection of the science. What we have done is to say, “Yes, we must move forward,” and we do so with the contents of this act.

Madam Speaker, this act provides for exemptions. This act provides for allowances, not the least of which is an allowance for new upgrading in the province. This is a key objective of this government, to add value to our natural resources so that we can keep good, mortgage-paying jobs here in Alberta. That is a key priority for us, so that is why there is an allowance for 10 megatonnes of new upgrading over and above the 100-megatonne cap.

Madam Speaker, this cap, the mechanism and the logistics of it will be worked out in partnership with industry, with First Nations, with municipalities, and with environmental groups. We have established a precedent-setting, collaborative, co-operative table at which all of those who are affected are making decisions together.

Now, this has historic implications for firmly establishing Alberta as a world environmental leader among energy producers. Alberta has, under several previous administrations, faced increasing scrutiny related to emissions resulting from oil sands development. But our energy industry is unique in providing a significant amount of provincial and national revenue. It has also contributed to significant increases in emissions at a time when global pressure to lower emissions is growing. Alberta was increasingly seen as the reason for Canada not meeting its emissions targets, but what we have done is ensured a path forward with this legislation. We have ensured a path that will reinvest in new, innovative, emissions-reducing technologies here at home to ensure that Alberta is successful.

The cap on oil sands emissions, Madam Speaker, complements work that industry is already doing to lower costs. It internalizes the cost to emit carbon at a time when executives like Suncor chief executive Steve Williams are dealing with a lower-for-longer scenario for oil prices. Make no mistake; carbon is an input cost. Oil producers have asked governments to provide them with a carbon and climate framework around which they can make decisions about long-term investments and lowering those costs. We have done that. In many cases, reducing emissions reduces costs for producers by lowering the volume of fuel used in oil sands operations, both in situ and mining. Bringing costs down, including the cost of carbon, means survival for oil sands companies.

The emissions cap will speed the transition to lower carbon fuels, allowing companies to accelerate their innovation efforts and providing new jobs and revenue as Alberta-developed technology

is applied and adapted in other parts of the world. Some of this, Madam Speaker, is already happening. Smaller companies like Nsolv are working on ways to extract bitumen in SAGD operations with 80 per cent fewer greenhouse gas emissions. Titanium Corporation has tested equipment that extracts valuable metals from tailings ponds' waste streams, helping to reduce methane output from those same ponds. Companies like MEG Energy and Statoil have indicated their continued interest in applying innovative solutions such as cogeneration and new technology to their oil sands operations.

Instead of just talking about the issue and wishing it away, we are seeking to find specific, credible solutions that will ensure that the world looks at Alberta differently. Finding access to new markets has been difficult without a climate plan, Madam Speaker. By doing nothing, Conservatives at both the federal and the provincial levels led Albertans to an economic dead end and a boom-and-bust economy that put many families in difficulty.

The kind of collaboration that led to this oil sands emissions limit was unprecedented, and it preceded our government, Madam Speaker. In their 2015 sustainability report ConocoPhillips described it this way.

While initial conversations weren't easy, the groups discovered areas of common ground. Both wanted Alberta and Canada to have a strong economy, agreed that climate change issues should be addressed and that they had to work together to find workable solutions.

Since the climate leadership process began, our plan has been widely praised nationally and internationally. It puts us in a better position with our most important trading partners. That includes recognition from U.S. President Obama during his address to Parliament earlier this year, Madam Speaker.

Madam Speaker, as the world adapts to a carbon-constrained future, our government has taken the position that we can either have a made-in-Alberta future on energy or we can have, as the opposition would have us have, a made-in-Ottawa or a made-somewhere-else future. Either way, there is no turning back. There is no nostalgic, olden-times era where no one objected to greenhouse gas pollution or the climate change it causes.

With this bill, Alberta makes clear to the world that energy-producing jurisdictions can establish limits and work and thrive within a carbon-constrained future. As a climate and energy leader we set a better course for our economic future by creating green jobs, green energy, and green infrastructure. Alberta must get the most value for our resources and find markets for our products, but we cannot do it without taking credible action on climate. Madam Speaker, our forward-looking approach will help to shift the debate about Alberta's oil sands production, improve market access, and provide certainty to investors.

11:30

Madam Speaker, the opposition is vociferously opposing acting on climate change, but I expect that even they share the views of Albertans that we need growth in the oil and gas sector, we need growth in the oil sands, we need the world to know that we are working hard towards reducing our greenhouse gas footprint, and we need a made-in-Alberta solution. These are the elements of a growth strategy for Alberta where the environment and the economy go hand in hand, because climate change is real.

Those who share the view that climate change is real are invited to demonstrate that by ensuring swift passage of this bill. The bill will send a clear signal to the world and, most importantly of all, to working women and men in Alberta families that our government intends to balance creating new jobs while being at the forefront of environmental policy.

Now, Madam Speaker, this bill is before this House because it is the right thing to do for our environment and our economy. This bill, crafted in consultation with First Nations, municipalities, affected communities, Métis organizations, industry, and environmental groups, is one more step to doing our part to address one of the world's most pressing problems. It is right to create conditions to get our products to markets that will pay more for our energy products as we begin the long transition to a decarbonized world in the future.

We have Albertans from all parts of the energy industry who have taken great pride in telling the world for decades just how good Alberta is at energy development, at developing new technology and sharing it with the world, at creating wealth and building one of the most successful, prosperous societies on Earth. That is justified pride on behalf of Albertans, Madam Speaker.

Now, wouldn't it be great if those same engineers, businesspeople, entrepreneurs, workers, and their families could also take pride in how their province is the most successful environmentally progressive province in Canada, how their province is a leader in clean tech and all the good mortgage-paying jobs that go with it, and how their province is the most advanced jurisdiction to take advantage of our energy resources today to invest in the energy of tomorrow?

Madam Speaker, by passing this bill, we can show the world that Alberta doesn't just do business, we mean business. Thank you.

The Deputy Speaker: Any other hon. members wishing to speak to the bill? The hon. Member for Edmonton-McClung.

Mr. Dach: Thank you, Madam Speaker. I'm very pleased to rise as cosponsor of this piece of legislation, the Oil Sands Emissions Limit Act, and proudly state that this government is following through on its climate change leadership plan, its commitment to establish a legislative limit on oil sands greenhouse gas emissions. We're taking a progressive and forward-looking approach to regulating and reducing emissions associated with energy production and will help change the debate about Alberta's oil sands production and improve market access.

It's all about long-term planning. This government is always looking to the longer term no matter what piece of legislation we bring forward to the House because, as it's commonly known, it's difficult for governments to look forward to long-term planning. They're typically focused on shorter, four-year cycles. Every effort is going to be made to make sure that the long-term solutions that Albertans seek are going to be part and parcel of the underpinning of every piece of legislation that we bring to this House.

I quite often am asked about what the reasoning might be behind this focus. It's basically because we know that Albertans are demanding that of us. Governments in the past have focused on a shorter term cycle of thinking. We in this government are determined to change that tendency and begin a path towards long-term thinking, especially in our energy industry.

Now, the limit along with the new output-based allocation approach on carbon pricing will help drive innovation and reduce emissions per barrel while still allowing for production growth and development of the oil sands resource. We strike a balance between our desire, of course, to continue producing energy in this province and to have energy be the backbone of our economy while also gaining the appropriate social licence, as is commonly said, to continue to produce these energy products and get them to market and also to receive the approval of society in general to get pipelines built to tidewater so that these products, that we so proudly produce, are sold at world price.

The limit is set at 100 megatonnes. The 100-megatonne limit provides room for growth and development of our oil sands resources to a production level that will be higher than at any time in our past and present as well as forecast out to 2030. The annual emissions limit was jointly recommended to government by Canadian and international leaders in Alberta's oil sands industry from Canadian and international environmental organizations. There is currently no plan to change the limit; however, the oil sands advisory group, which is a part of this framework legislation, will be giving advice on a pathway to 2050 and may consider the limit level.

Why now? Well, that's something that we thought important to implement right away as part of our climate leadership plan, and a commitment to establish a legislative limit is part and parcel of that plan. It's a major pillar of it, so the government of Alberta is delivering on its climate leadership plan and setting this legislative limit right now to provide certainty to industry.

It's often argued by members opposite that a cap is a limit to certainty, that it provides uncertainty, but in fact it's the opposite. Industry loves certainty, and this cap gives certainty to the industry so that it can make long-term plans, which is what this legislation is all about. It establishes a legislative limit on oil sands greenhouse gas emissions and provides the ability to make regulations in order to implement the limit. The effect is that greenhouse gas emissions from oil sands sites, after accounting for all exclusions, will be limited to a hard cap of 100 megatonnes of carbon dioxide in any year.

Now, it will apply to in situ sites, processing plants – for example, upgraders – primary production, enhanced recovery, experimental schemes, and all the buildings, equipment, structures, and vehicles associated with those sites. There are some oil sands emissions that don't fall under this limit. Many members of the government caucus recently went up to Christina Lake and visited the MEG Energy in situ plant there. We know that there are difficulties with producing certain types of in situ plants and there are costs involved. That's why there are certain exemptions under this legislation to allow that energy production to take place and to take into account the concerns that industry had about the costs that are associated with their production.

This limit does not apply to greenhouse gas emissions from new upgraders that finished their first year of commercial operation before December 31, 2015, and expansions to existing upgraders that occur after December 31, 2015, up to a maximum of 10 megatonnes combined. Now, once those emissions exceed 10 megatonnes, the 100-megatonne limit applies. These emissions were excluded in recognition of the added value and job creation that new upgrading can provide.

The 100-megatonne limit also does not apply to cogeneration emissions from the electricity portion of the energy generated or produced by cogeneration, combined heat and electricity generation. The limit does not apply to these emissions because of the low emissions intensity electricity that they provide to the oil sands sites and the Alberta electric system. The limit currently applies to primary production, enhanced recovery, and experimental schemes, but there is the ability to exclude emissions from these minor sources of greenhouse gas emissions by regulation in the future, once it's determined how the limit will be implemented.

11:40

Left to regulations is that the act provides the authority to make regulations to establish mechanisms to keep greenhouse gas emissions from within the oil sands within the 100-megatonne limit. The government of Alberta is seeking implementation advice of the oil sands advisory group on the types of mechanisms that could be used by February 2017. After considering the implementation advice of the oil sands advisory group, the

government of Alberta will develop regulations to implement suitable regulatory mechanisms in 2017. It will take effect when it's passed in the Legislature's fall session.

Emissions are projected to stay below the limit until 2030 under production forecasts developed for the 2016-2017 budget. In an unlikely development situation where all Alberta Energy Regulator approved projects with an announced start date are constructed and operating, the 100-megatonne limit is expected to be reached by 2030. Since oil sands emissions that count towards the limit will likely not reach 100 megatonnes between now and 2030, the limit will not directly result in emissions reductions before 2030. Although the limit may not directly reduce oil sands emissions within the 2030 time frame, current and future oil sands producers will likely take action to reduce their emissions and emissions intensity to keep emissions below the limit.

Greenhouse gas emissions from large oil sands emitting 100,000 tonnes of carbon dioxide per year or more will be priced according to output-based allocations for any emissions above a product- or sector-benefit benchmark. The new output-based allocation approach to carbon pricing will act as the main driver for carbon competitiveness and emissions reductions across the different sectors of Alberta's economy.

The oil sands emissions limit complements the carbon levy and output-based allocation approach to reducing greenhouse gas emissions by putting a price on carbon and providing a legislative backstop on oil sands emissions. Together this will create the conditions for the oil sands sector to innovate and become more globally competitive. There will be no immediate effect on project approvals with the enactment of the Oil Sands Emissions Limit Act. The oil sands advisory group will provide implementation advice to government by February 2017, including implications for the project approval process.

Now the role of the oil sands advisory group. The group is composed of members from industry, environmental organizations, and indigenous and nonindigenous communities. An initial task of the oil sands advisory group is to provide implementation advice to the government of Alberta on the oil sands emissions limit by February 2017. Given their role in providing implementation advice, the government of Alberta sought feedback from the oil sands advisory group on the concepts included in the act. The draft bill was not shared with the oil sands advisory group in order to preserve the privilege of Members of the Legislative Assembly of Alberta. Now, the advice coming from the oil sands advisory group in 2017 could point to implementation through one or more methods, from policy to ministerial order, from new regulations enabled under today's statute to changes to the act itself next year.

Like industry and environmentalists, we see emissions from 2030 to 2050 being established in a manner consistent with Alberta making its contribution to Canada, meeting its 2050 greenhouse gas reduction targets and international climate commitments. The industry and environmental communities' advice to us is that this is the right time to limit to 2030, after which time a new path may be needed. However, the government has not put an expiry date on the emissions limit. The oil sands terms of reference encourage it to propose a mandate to advise government of a path from 2030 to 2050. We expect to receive advice from that in 2017, and that advice is very likely to have implications for the legislation in reference to what might happen after 2030.

With that, I look forward to engaging in debate on this piece of legislation over the coming days and certainly encourage all members of the House to support it.

I now move to adjourn debate.

[Motion to adjourn debate carried]

The Deputy Speaker: The hon. Government House Leader.

Mr. Mason: Thank you, Madam Speaker. I wonder if I might seek unanimous consent from the House to briefly revert to introductions.

The Deputy Speaker: Having heard that request, is anyone opposed?

[Unanimous consent granted]

Introduction of Guests (reversion)

Mr. Mason: Thank you very much, Madam Speaker. It gives me great pleasure to rise and introduce to you and through you to all members of this Assembly a group of 13 students, actually sheriffs in training, who are here with us touring the Legislature. They're training to become sheriffs and are from recruit class 961. They're brand new recruits that started training last week and will be graduating as Alberta sheriffs in February. I'm sure that they have a wonderful career ahead of them protecting Albertans, and I congratulate them. I would ask them to please rise and receive the warm welcome of the Assembly.

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

Mr. Cooper: Thank you, Madam Speaker. Earlier today I made an effort to seek unanimous consent to revert to Notices of Motions to provide the government the opportunity of not airing our laundry this afternoon. Seeing as we're in this atmosphere of co-operation, I just wanted to see if maybe the government had changed their mind and was willing to provide unanimous consent so that I may propose a motion under Notices of Motions. I ask for unanimous consent to revert to Notices of Motions.

[Unanimous consent granted]

Notices of Motions

Mr. Cooper: Well, thank you, Madam Speaker, and thank you to the government for changing your position from this morning.

I rise today pursuant to Standing Order 15(6), which reads:

The Speaker may allow such debate as he or she [sees] appropriate . . . to determine whether a prima facie case of breach of privilege has taken place and whether the matter is being raised at the earliest [convenience], and if the Speaker so rules,

which, clearly, Madam Speaker, was the case yesterday, any Member may give notice no later than the conclusion of the next sitting day of a motion to deal with [this] matter further.

As is laid out in the standing orders, any member may provide notice of a motion to deal with the matter further. Unfortunately, Madam Speaker, yesterday I was not afforded that opportunity to propose that motion, so I rise to give notice that the motion I'll be moving at the appropriate time is:

Be it resolved that pursuant to Standing Order 15(6) the Legislative Assembly refer to the Standing Committee on Privileges and Elections, Standing Orders and Printing for deliberation and consideration the Speaker's finding yesterday of a prima facie case of breach of privilege and the determination of an appropriate remedy.

I might just add that the Premier in 2013 proposed this exact same motion, which was supported by the Government House Leader.

The Deputy Speaker: Did anyone wish to respond to that at this time?

Mr. Mason: No, Madam Speaker, I don't.

The Deputy Speaker: Oh, okay. Sorry. My error, then.

Speaker's Ruling Motion Out of Order

The Deputy Speaker: Having heard this proposed notice of motion, I'm prepared to give a ruling, the proposed notice of motion under Standing Order 15(6) concerning a prima facie breach of privilege after an apology has been given.

Hon. members, what we have today in the Assembly is a situation that is almost identical to what happened on December 3, 2013. On that day the then Member for Edmonton-Strathcona provided oral notice of her intention to move a motion pursuant to Standing Order 15(6) referring to the Standing Committee on Privileges and Elections, Standing Orders and Printing consideration of the Speaker's ruling of a prima facie breach of privilege on December 2, 2013.

Speaker Zwozdesky ruled that motion was out of order under Standing Order 48 because the Deputy Premier on behalf of the government of that day offered an apology to the Assembly. He indicated that after an apology was given, the matter was concluded. His ruling can be found on pages 3303 to 3304 of *Hansard* for December 3, 2013.

By way of additional authorities I reference Speaker Schumacher's ruling in 1993 on the effect of an apology. That can be found at pages 463 and 464 of *Hansard* for September 23, 1993.

11:50

Both Speaker Schumacher and Speaker Zwozdesky cited Joseph Maingot's *Parliamentary Privilege in Canada* on this matter, which states on page 267 of the second edition of that book: "An apology by the offending Member will invariably close the matter without the necessity of putting the motion to a vote." Yesterday the Deputy Government House Leader apologized on behalf of the government after the Speaker's ruling of a prima facie contempt. I must rule the motion proposed by the Official Opposition House Leader out of order pursuant to Standing Order 48. The reason, once again, is that an apology was given, and according to the practices of this Assembly once an apology is given, the matter is concluded. I consider the matter ended, hon. members. Let's move on.

The hon. member.

Mr. Cooper: Well, thank you, Madam Speaker. Just raising a point under Standing Order 13(2): "The Speaker shall explain the reasons for any decision on the request of a Member." I'm a little troubled by what appears to be a contradiction in the standing orders. Standing Order 15(6) clearly states that "any Member may give notice no later than the conclusion of the next sitting day of a motion to deal with the matter further." Clearly, a breach of privilege took place yesterday, and not only was there an apology given, but there was no opportunity for a motion to be made yesterday.

I know that you know that in *House of Commons Procedure and Practice* this situation is also addressed, that when a breach of privilege has taken place, a member is provided the opportunity to provide a motion. I find it more than a little unfortunate that these particular standing orders are not being followed, and I find it very troubling that the Premier and the Government House Leader, while in opposition, found a breach of privilege very serious and at that time found that an apology wasn't acceptable, which is why they continued to move a similar motion as I am today. Now, just a few short months later, they choose to not respect the same things that they once had.

The Deputy Speaker: Hon. member, as I have explained in detail, once an apology has been given, that concludes the matter, and no further breach of privilege occurs at that time. The apology ends the matter, and we are moving forward.

The hon. Government House Leader.

Mr. Mason: Madam Speaker, having dealt with weighty matters and debated some legislation, it's been a very edifying morning. I propose to call it 12 o'clock and adjourn until 1:30 this afternoon.

[Motion carried; the Assembly adjourned at 11:54 a.m.]

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