



Province of Alberta

The 29th Legislature
Second Session

Alberta Hansard

Tuesday morning, December 6, 2016

Day 58

The Honourable Robert E. Wanner, Speaker

Legislative Assembly of Alberta
The 29th Legislature

Second Session

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

Aheer, Leela Sharon, Chestermere-Rocky View (W)	Loyola, Rod, Edmonton-Ellerslie (ND)
Anderson, Shaye, Leduc-Beaumont (ND)	Luff, Robyn, Calgary-East (ND)
Anderson, Wayne, Highwood (W)	MacIntyre, Donald, Innisfail-Sylvan Lake (W)
Babcock, Erin D., Stony Plain (ND)	Malkinson, Brian, Calgary-Currie (ND)
Barnes, Drew, Cypress-Medicine Hat (W)	Mason, Hon. Brian, Edmonton-Highlands-Norwood (ND), Government House Leader
Bilous, Hon. Deron, Edmonton-Beverly-Clareview (ND), Deputy Government House Leader	McCuaig-Boyd, Hon. Margaret, Dunvegan-Central Peace-Notley (ND)
Carlier, Hon. Oneil, Whitecourt-St. Anne (ND), Deputy Government House Leader	McIver, Ric, Calgary-Hays (PC), Leader of the Progressive Conservative Opposition
Carson, Jonathon, Edmonton-Meadowlark (ND)	McKitrick, Annie, Sherwood Park (ND)
Ceci, Hon. Joe, Calgary-Fort (ND)	McLean, Hon. Stephanie V., Calgary-Varsity (ND)
Clark, Greg, Calgary-Elbow (AP)	McPherson, Karen M., Calgary-Mackay-Nose Hill (ND)
Connolly, Michael R.D., Calgary-Hawkwood (ND)	Miller, Barb, Red Deer-South (ND)
Coolahan, Craig, Calgary-Klein (ND)	Miranda, Hon. Ricardo, Calgary-Cross (ND)
Cooper, Nathan, Olds-Didsbury-Three Hills (W), Official Opposition House Leader	Nielsen, Christian E., Edmonton-Decore (ND)
Cortes-Vargas, Estefania, Strathcona-Sherwood Park (ND), Government Whip	Nixon, Jason, Rimbey-Rocky Mountain House-Sundre (W), Official Opposition Whip
Cyr, Scott J., Bonnyville-Cold Lake (W), Official Opposition Deputy Whip	Notley, Hon. Rachel, Edmonton-Strathcona (ND), Premier
Dach, Lorne, Edmonton-McClung (ND)	Orr, Ronald, Lacombe-Ponoka (W)
Dang, Thomas, Edmonton-South West (ND)	Panda, Prasad, Calgary-Foothills (W)
Drever, Deborah, Calgary-Bow (ND)	Payne, Hon. Brandy, Calgary-Acadia (ND)
Drysdale, Wayne, Grande Prairie-Wapiti (PC), Progressive Conservative Opposition Whip	Phillips, Hon. Shannon, Lethbridge-West (ND)
Eggen, Hon. David, Edmonton-Calder (ND)	Piquette, Colin, Athabasca-Sturgeon-Redwater (ND)
Ellis, Mike, Calgary-West (PC)	Pitt, Angela D., Airdrie (W)
Feehan, Hon. Richard, Edmonton-Rutherford (ND)	Renaud, Marie F., St. Albert (ND)
Fildebrandt, Derek Gerhard, Strathmore-Brooks (W)	Rodney, Dave, Calgary-Lougheed (PC), Progressive Conservative Opposition House Leader
Fitzpatrick, Maria M., Lethbridge-East (ND)	Rosendahl, Eric, West Yellowhead (ND)
Fraser, Rick, Calgary-South East (PC)	Sabir, Hon. Irfan, Calgary-McCall (ND)
Ganley, Hon. Kathleen T., Calgary-Buffalo (ND)	Schmidt, Hon. Marlin, Edmonton-Gold Bar (ND)
Gill, Prab, Calgary-Greenway (PC)	Schneider, David A., Little Bow (W)
Goehring, Nicole, Edmonton-Castle Downs (ND)	Schreiner, Kim, Red Deer-North (ND)
Gotfried, Richard, Calgary-Fish Creek (PC)	Shepherd, David, Edmonton-Centre (ND)
Gray, Hon. Christina, Edmonton-Mill Woods (ND)	Sigurdson, Hon. Lori, Edmonton-Riverview (ND)
Hanson, David B., Lac La Biche-St. Paul-Two Hills (W), Official Opposition Deputy House Leader	Smith, Mark W., Drayton Valley-Devon (W)
Hinkley, Bruce, Wetaskiwin-Camrose (ND)	Starke, Dr. Richard, Vermilion-Lloydminster (PC)
Hoffman, Hon. Sarah, Edmonton-Glenora (ND)	Stier, Pat, Livingstone-Macleod (W)
Horne, Trevor A.R., Spruce Grove-St. Albert (ND)	Strankman, Rick, Drumheller-Stettler (W)
Hunter, Grant R., Cardston-Taber-Warner (W)	Sucha, Graham, Calgary-Shaw (ND)
Jansen, Sandra, Calgary-North West (ND)	Swann, Dr. David, Calgary-Mountain View (AL)
Jean, Brian Michael, QC, Fort McMurray-Conklin (W), Leader of the Official Opposition	Taylor, Wes, Battle River-Wainwright (W)
Kazim, Anam, Calgary-Glenmore (ND)	Turner, Dr. A. Robert, Edmonton-Whitemud (ND)
Kleinstuber, Jamie, Calgary-Northern Hills (ND)	van Dijken, Glenn, Barrhead-Morinville-Westlock (W)
Larivee, Hon. Danielle, Lesser Slave Lake (ND)	Westhead, Cameron, Banff-Cochrane (ND), Deputy Government Whip
Littlewood, Jessica, Fort Saskatchewan-Vegreville (ND)	Woollard, Denise, Edmonton-Mill Creek (ND)
Loewen, Todd, Grande Prairie-Smoky (W)	Yao, Tany, Fort McMurray-Wood Buffalo (W)

Party standings:

New Democrat: 55 Wildrose: 22 Progressive Conservative: 8 Alberta Liberal: 1 Alberta Party: 1

Officers and Officials of the Legislative Assembly

Robert H. Reynolds, QC, Clerk	Aurelia Nicholls, Sessional Counsel	Brian G. Hodgson, Sergeant-at-Arms
Shannon Dean, Law Clerk and Director of House Services	Philip Massolin, Manager of Research and Committee Services	Chris Caughell, Deputy Sergeant-at-Arms
Trafton Koenig, Parliamentary Counsel	Nancy Robert, Research Officer	Paul Link, Assistant Sergeant-at-Arms
Stephanie LeBlanc, Parliamentary Counsel and Legal Research Officer	Janet Schwegel, Managing Editor of <i>Alberta Hansard</i>	Gordon Munk, Assistant Sergeant-at-Arms
		Gareth Scott, Assistant Sergeant-at-Arms

Executive Council

Rachel Notley	Premier, President of Executive Council
Sarah Hoffman	Deputy Premier, Minister of Health
Deron Bilous	Minister of Economic Development and Trade
Oneil Carlier	Minister of Agriculture and Forestry
Joe Ceci	President of Treasury Board and Minister of Finance
David Eggen	Minister of Education
Richard Feehan	Minister of Indigenous Relations
Kathleen T. Ganley	Minister of Justice and Solicitor General
Christina Gray	Minister of Labour, Minister Responsible for Democratic Renewal
Danielle Larivee	Minister of Municipal Affairs
Brian Mason	Minister of Infrastructure, Minister of Transportation
Margaret McCuaig-Boyd	Minister of Energy
Stephanie V. McLean	Minister of Service Alberta, Minister of Status of Women
Ricardo Miranda	Minister of Culture and Tourism
Brandy Payne	Associate Minister of Health
Shannon Phillips	Minister of Environment and Parks, Minister Responsible for the Climate Change Office
Irfan Sabir	Minister of Human Services
Marlin Schmidt	Minister of Advanced Education
Lori Sigurdson	Minister of Seniors and Housing

STANDING AND SPECIAL COMMITTEES OF THE LEGISLATIVE ASSEMBLY OF ALBERTA

Standing Committee on the Alberta Heritage Savings Trust Fund

Chair: Mr. Coolahan
Deputy Chair: Mrs. Schreiner

Cyr	McKitrick
Dang	Taylor
Ellis	Turner
Horne	

Standing Committee on Alberta's Economic Future

Chair: Mr. Sucha
Deputy Chair: Mr. Schneider

Anderson, S.	Hunter
Carson	Jansen
Connolly	Panda
Coolahan	Piquette
Dach	Schreiner
Fitzpatrick	Taylor
Gotfried	

Standing Committee on Families and Communities

Chair: Ms Goehring
Deputy Chair: Mr. Smith

Drever	Orr
Hinkley	Pitt
Horne	Rodney
Jansen	Shepherd
Luff	Swann
McKitrick	Yao
McPherson	

Standing Committee on Legislative Offices

Chair: Mr. Shepherd
Deputy Chair: Mr. Malkinson

Cooper	Littlewood
Ellis	Nixon
Horne	van Dijken
Jabbour	Woollard
Kleinsteuber	

Special Standing Committee on Members' Services

Chair: Mr. Wanner
Deputy Chair: Cortes-Vargas

Cooper	McIver
Dang	Nixon
Fildebrandt	Piquette
Jabbour	Schreiner
Luff	

Standing Committee on Private Bills

Chair: Ms McPherson
Deputy Chair: Mr. Connolly

Anderson, W.	Kleinsteuber
Babcock	McKitrick
Drever	Rosendahl
Drysdale	Stier
Fraser	Strankman
Hinkley	Sucha
Kazim	

Standing Committee on Privileges and Elections, Standing Orders and Printing

Chair: Ms Fitzpatrick
Deputy Chair: Ms Babcock

Carson	Loyola
Coolahan	McPherson
Cooper	Nielsen
Ellis	Schneider
Goehring	Starke
Hanson	van Dijken
Kazim	

Standing Committee on Public Accounts

Chair: Mr. Fildebrandt
Deputy Chair: Mr. S. Anderson

Barnes	Luff
Cyr	Malkinson
Dach	Miller
Fraser	Renaud
Goehring	Turner
Gotfried	Westhead
Hunter	

Standing Committee on Resource Stewardship

Chair: Loyola
Deputy Chair: Mr. Loewen

Aheer	Kleinsteuber
Babcock	MacIntyre
Clark	Malkinson
Dang	Nielsen
Drysdale	Rosendahl
Hanson	Woollard
Kazim	

Legislative Assembly of Alberta

10 a.m.

Tuesday, December 6, 2016

[The Speaker in the chair]

Prayers

The Speaker: Good morning. It will be a long day today.

Let us pray or reflect, each in our own way. Today is the National Day of Remembrance and Action on Violence against Women in Canada. This day marks the anniversary of the 14 young women who were killed at l'École Polytechnique de Montréal simply for being a woman. Let each of us reflect on all of the women and girls for whom violence is a daily reality. We as elected officials have a responsibility to continue to speak up against this violence and work to ensure that all women – our wives, our daughters, our mothers – feel safe in their workplace and in their homes.

Please be seated.

Orders of the Day

Government Bills and Orders Third Reading

Bill 21 Modernized Municipal Government Act

The Speaker: The hon. Minister of Municipal Affairs.

Ms Larivee: Thank you, Mr. Speaker. It is truly an honour to rise today to move third reading of Bill 21, the Modernized Municipal Government Act.

Bill 21 would amend the Municipal Government Act to make it a more responsive piece of legislation that gives municipalities and businesses the tools they need to build strong communities and a more resilient, diversified future for Alberta's families. A key focus of the act is on working together, growing together, and making Alberta better together.

Instead of duplicating costly services, the revised MGA would require municipalities to come together through municipal partnerships to find new and innovative ways to integrate services, manage growth, and use land to become better environmental stewards. It would also give municipalities new tools to build better, more complete communities by enabling inclusionary housing and expanding off-site levies to include community recreation facilities, fire halls, police stations, and libraries.

Supporting Alberta business is one of the four key pillars of the Alberta jobs plan, and the modernized MGA would support this initiative by empowering municipalities to create a more flexible property tax framework between small and large businesses and by linking nonresidential and residential tax rates.

Mr. Speaker, this bill would also enhance municipal accountability by expanding the mandate of the Alberta Ombudsman to create an additional accountability mechanism for municipalities and another resource for Albertans to have their local concerns addressed in a fair, efficient, and transparent manner.

We are very proud of how robust, transparent, and accessible our consultation has been on the MGA. Over the summer my team and I travelled all across the province to meet with Albertans, hear their thoughts, and gather their feedback on the bill. More than 2,400 Albertans attended 21 different sessions in communities, both large and small. We also received over 2,300 survey responses and 122 written submissions from municipalities, businesses, industry, civil society groups, and members of the public. It has been a privilege

to discuss the future of our municipalities with thousands of Albertans, people who care about their communities and who serve them in so many significant ways.

Mr. Speaker, I want to thank everyone who took the time to provide their input so that together we can get this important piece of legislation right. It's because of their thoughts and feedback that a number of amendments were proposed to this bill during Committee of the Whole. These amendments would make the policies proposed in Bill 21 even stronger and more effective.

Colleagues, as you know, the last major review of the MGA was completed more than two decades ago and does not reflect the new economic realities, changes in technology, or evolving municipal roles and relationships. It is time to move forward and provide municipalities with robust, forward-looking legislation so that they can meet the changing needs of Albertans. I would ask all hon. members for their support in moving Bill 21 through third reading.

Thank you.

The Speaker: The Member for Livingstone-Macleod.

Mr. Stier: Yes. Good morning, and thank you, Mr. Speaker. It's a pleasure to rise to speak in third reading of Bill 21, the Modernized Municipal Government Act. I'll be starting out by reading into the record a lot of stuff that we've talked about, as the minister did allude to already.

I'll start with the intermunicipal collaboration frameworks. As she said earlier last week, the municipalities outside the growth management board areas must adopt an ICF within two years, with an additional year for arbitration should municipalities fail to find agreement. We believe that these will include regional land-use planning mechanisms and cover the planning, delivery, and funding of regional services. This will be a big change for a lot of municipalities, and we do have some concerns.

One of the other more controversial aspects of Bill 21 is the centralized industrial assessment. The government has decided to take over assessment responsibilities for all designated industrial property and will now be responsible for issuing assessments to municipalities, which will maintain the ability to set the mill rates. Once again, this was a controversial issue that was raised by municipalities, but it's proceeding as such anyway.

Bill 21 also allows municipalities to split nonresidential property classes into subclasses, which will have differing mill rates. We don't have a lot of concern about that. They are going to be probably addressed in regulations. Of course, regulations are not dealt with by the House, so we are looking forward to seeing how that turns out. However, the class rates must comply with the maximum link of 5 to 1, and we have a lot of serious worries about that 5 to 1 ratio situation. We're going to be discussing that here in a few minutes, Mr. Speaker.

Another topic was the Alberta Ombudsman, which was mentioned by the minister just now. It is being given the authority to investigate complaints against municipalities, apparently as a way of increasing oversight. Although there is a system in place for that sort of thing, Mr. Speaker, apparently we're going to be continuing on with this. We'll be monitoring this constantly to ensure that this is being conducted fairly and properly. We may have some questions to raise in the House as it unfolds.

Another controversial topic was the expanding scope of off-site levies. Municipalities will be able to now levy charges on developers for extra things that they haven't done before such as recreation facilities and fire halls and police stations and libraries. Just recently we saw in a new document, released by the government about a week and a half ago, that they're going to even

dig deeper into that with adjacent infrastructure and provincial infrastructure, it appears. So we have some concerns there.

There's also the ability to grant municipalities the ability to include inclusionary housing provisions for new developments. This new legislation will, again, probably be fairly controversial, especially with the speculative industry in the housing industry, and developers have expressed their concerns to us. We'll continue to advocate for them on that end of the scale.

They'll also be able to establish controlled for-profit corporations. This, again, is something where the controls are kind of being lifted off. We have some concerns about that. We won't know what changes will be in the regulations, but there's certainly stuff that we think should be monitored more carefully than just having a complete open door on that topic.

Last week I spoke on another important issue, and I think it deserves a second if not a third mention, and that was the growth management boards that are being proposed for the city of Calgary region. As I'm sure everyone here is well aware, the Capital Region Board is currently the only mandatory growth board legislated by the MGA. Changes with the passage of Bill 21 will increase the number of growth management boards in the province. We'll now have two, and that will be the greater Calgary area that will now be included with getting a mandatory growth board.

10:10

Although it's not officially known yet which municipalities will be included in the membership, it's likely to number around 17 or more perhaps – we don't know – and that would be, more or less, 14 urban municipalities and three rurals from what we can gather. It could be four. We really are worried about these details. We don't know what details are going to be included. We've had a call from one of the urban centres even as late as this morning with regard to how this board is going to be made up, one of the major urban centres, I might acknowledge. So we need to look at this very carefully. We haven't been able to get a lot of information.

I want to underline that we're strong believers in regional collaboration. Again, as I've said in the past couple of weeks on this bill, as a former municipal councillor I do understand the importance of regional collaboration and regional co-operation in how communities will grow and govern themselves in the future, but there are still those questions that I mentioned the other day. I've just alluded to them, but I just want to enumerate them again, Mr. Speaker. Which municipalities will be members? Will any member municipality actually hold a veto? What type of voting will be used? What type of structure? Will member municipalities be able to abstain from voting? Is there a dispute resolution process, and if not, why not? And what is the mandate and scope of these growth boards?

As I've said, Mr. Speaker, those are extremely important questions. This is a big change. A lot of the municipalities in the Calgary region will suddenly be impacted in a very unique way. They are actually going to have some of their current authorities no longer being in place. This is going to be a drastic change for them. They need to know these answers so that they can at least get comfortable with what is being intended.

I remain, as I've said before in the past few days, extremely skeptical on how this is going to go. When Premier Klein cancelled the planning commissions years ago and moved towards increased local autonomy, it was decided then that they could have intermunicipal development plans and local municipal development plans, and they were encouraged then to talk to each other. As I said the other day – and I'll say it again – although I know that there are some people on the other side that may not agree with this, for the most part I think it's gone quite well.

We have seen these two great cities in Alberta grow in leaps and bounds. They did so in the Edmonton area before the Capital Region Board was formed, and they've been doing so quite nicely down in the Calgary region. Certainly, there have been some squabbles and issues that have been dealt with, but for the most part it has been a very successful past two and a half decades in terms of regional growth.

Again, I'd like to say that this is a drastic step. This is going to be a very big change. And I don't think that there's really good, solid evidence for this to go ahead without perhaps a little bit more of an interim kind of a change or something else that would be not quite as large of a planning model change.

You know, there are good, solid planning principles that respect local autonomy, and I believe in them. I believe that we can have them and we can promote regional co-operation and collaboration. That's the best way forward. I think it should be left as a voluntary membership system, not mandated as mandatory. Municipalities should have the choice to join or resign from the partnership at their discretion.

I'd like to close my comments on the growth management boards, Mr. Speaker, by repeating what I said during my speech at Committee of the Whole because I think it's so important that it deserves to be on the record twice if not more.

I think that the municipalities should be able to define their region. Let the participating municipalities determine which municipalities will be part of the regional partnership. Municipalities should be able to remain independent, and their ability to make decisions in the best interests of their municipalities should remain intact, not be taken away.

I think that there should be a nonhierarchical governance model. The regional structure should not create another level of government.

I think that there should be voting equity, where each municipality has one equal vote.

I think that there should be a consensus of decision, and I think that where there are major decisions that require a vote, that is approached on the basis of reaching a good overall consensus.

I think that there should be a user-pay cost-sharing model, where for the most part the cost of delivering a regional service is borne in proportion to the use of that service.

I think that there should be transparency in a region, that the operation of the governance of the regional entity is, essentially, easily observable and understood.

I think that there should be accountability of individual municipalities. If a municipality chooses to become a member of a regional service partnership, that municipality must be accountable, first and foremost, to its community for the value of that service.

And I think that there should be allowance for the opting out of programs should they choose that to be in the best interests of their municipality and their people.

Mr. Speaker, now I'd like to change direction a little bit and move into the issue of linking residential and nonresidential property tax rates. We've talked about this in the past few days and as late as yesterday. The proposal would limit the amount a municipality could charge a nonresidential property to no more than five times the lowest residential tax rate.

Presently only 19 municipalities in the entire province exceed that proposed ratio, but for those communities the proposal raises some legitimate concerns that a significant increase in residential property taxes from having to meet the ratio would result in home ownership being completely untenable in some of these communities, and certainly Fort McMurray is a prime example of that. The law will allow nonconforming municipalities, those that exceed the ratio, to maintain their current tax ratios, though they

will not be allowed to go higher. I think that's fair and a balanced approach that balances local taxpayers with property tax stability for Alberta businesses.

There is currently no timeline by which nonconforming municipalities will have to come into compliance, and we are very supportive of the grandfathering measure that that talks about. The government, though, has left the door open to bringing in some sort of deadline by which nonconforming municipalities will have to come into compliance with the 5 to 1 ratio, but they have committed to further consultations, thankfully, specifically with those municipalities that exceed the ratio. We will be watching closely to ensure that they hold robust consultations. That is a good thing.

Apparently, the government received much feedback over the summer on issues that were unrelated to the proposed amendments in Bill 21 albeit important issues. While we were working on Committee of the Whole debates on the 5 to 1 ratio, suddenly the government released last week a new discussion guide and survey to gather feedback on a number of issues and specifically on the 5 to 1 ratio. We did not see that. It was not in the bill. It was not in the amendments they had brought forward, and suddenly they've released this, and now they're saying, Mr. Speaker, that they are moving towards making this mandatory and thinking about having some feedback received on that new change. It doesn't hardly seem fair that we were debating a bill and talking about a lot of things and suddenly they at the last minute pull the rug on the whole idea and then say that they're going to talk about imposing it later on.

Nonetheless, a few of the proposed issues in the discussion guide beyond that are the ability for municipalities to enter into ICFs with neighbouring indigenous communities. They're going to be talking about strengthening the minister's authority to enforce municipal orders. They're going to be talking about providing for municipalities to create a bylaw allowing for parental leave for municipal councillors. They're going to be talking about improved notification of amalgamation and annexation requests to include local authorities that operate or provide services in the affected municipalities such as school boards. They're also going to be talking about apparently requiring municipalities to enter into joint-use agreements with school boards within their municipal boundaries, although I know some of those types of things already occur. They're going to expand the scope of off-site levies, I note now, suddenly including intermunicipal levies for infrastructure that provide benefits across municipal boundaries, a new thing that we were not aware of.

Clarifying details around the proposed conservation reserve sounds like a fine idea. Provide municipalities stability to levy a specific tax bylaw on intensive agricultural operations. We have seen some of these concerns in the past, and frankly I am glad that we are going to be discussing that.

They're also talking about clarifying the details around a municipality's right to access assessment information related to designated industrial properties that will now be centrally assessed by the province. Certainly, with the amount of industry that we have in some areas of the province, that is something that most municipalities are going to be concerned about.

There's a lot more in the discussion guide that's coming up, and I look forward to talking to municipal stakeholders. We're going to be calling out for feedback on those, Mr. Speaker.

If there's one thing, though, that's become apparent during the course of this review, it's that the Municipal Government Act is a living document, as has been said, and it requires ongoing dialogue to ensure that we are creating an environment where our municipalities can thrive. I look forward to meeting with municipalities, as the minister and her staff are doing, to garner the feedback and hear what their concerns may be.

Finally, in closing, Bill 21 isn't perfect from our standpoint, Mr. Speaker, but overall I believe it struck the right balance. For that reason I will be supporting Bill 21 at third reading, with some reservations, of course, and I encourage all of my hon. colleagues to do the same.

Thank you very much.

10:20

The Speaker: Are there any other members who would speak to third reading of Bill 21? The Member for Fort McMurray-Wood Buffalo.

Mr. Yao: Thank you, Mr. Speaker. Fort McMurray is a community that continues to demonstrate its resolve in what has been its most challenging year. Neither the price of oil nor the wildfires are enough to dampen the spirits or the strength of our community. Now more than ever Fort McMurray needs the province to be a partner who will work with, listen to, and understand them.

We have heard the Minister of Municipal Affairs espouse at length about her MGA consultations and her willingness to work with, listen to, and understand Alberta's communities. I personally spoke with the minister prior to sending out a message to my community emphasizing a grandfather clause that the minister had continually referred to all summer long. This clause would allow the regional municipality of Wood Buffalo and communities like it to maintain its ratio of nonresidential to residential tax revenues. This is an important feature of our community that has allowed our homeowners to have reasonable property tax rates and allowed our community to develop recreational complexes, road infrastructure, and schools. Unfortunately, there are concerns that we will not be able to maintain this system, that has worked so well for the people and businesses in Fort McMurray.

As we discovered this last weekend, the minister stated that the nonconforming municipalities must address these issues in an undetermined period of time, which means that this government could be downloading thousands of dollars of taxes onto the backs of the people of Fort McMurray. First came the carbon tax, then the emissions cap, and now the NDP is fixated on raising homeowners' tax bills by 260 per cent. They're happy to reap the benefits that my community provides them but kneecap the way that we provide it.

This tax structure that is in Fort McMurray evolved because municipalities had to make decisions to address unique local challenges and issues. To understand why Fort McMurray is in this situation is to understand how the previous government demonstrated a lack of support to my community. The PCs didn't invest in our region's infrastructure till too late while supporting oil sands growth. For years the previous government failed to twin highway 63, arguably one of the most dangerous roads in the province. For years the PCs refused to rezone Crown land for the development of real estate, and that drove the local housing market right up through the roof. It was then that our municipality rightly took steps to ensure the viability of our community.

I thought that perhaps this NDP government would be more pragmatic after it took them eight months to recognize that our resource industry is important. So, Minister, I ask that you continue conversations with Wood Buffalo's mayor and council and that your government will not force through punishing tax increases for Fort McMurray's homeowners and that you emphasize the message that you gave us all year long. A one-size-fits-all policy does not work, plain and simple. There needs to be a provision that recognizes unique revenue structures that municipalities like the RMWB have put in place.

As the minister well knows, the people in my community are going through an unparalleled upheaval, and what they need and

what they're asking for is the ability to maintain a level of continuity so that we can rebuild in a responsible, efficient, and sustainable manner. Engage the people of Fort McMurray, and you will find that you have a collaborative partner that has unparalleled experience and knowledge.

Thank you, Mr. Speaker.

The Speaker: Hon. members, are there any questions for the Member for Fort McMurray-Wood Buffalo under 29(2)(a)?

Seeing and hearing none, are there members who wish to speak to the motion from the Minister of Municipal Affairs?

Seeing and hearing none, hon. minister, would you like the opportunity to close debate?

Ms Larivee: Thank you, Mr. Speaker. I just wanted to take this opportunity once again to say thank you to the amazing team in Municipal Affairs, who have spent years assisting with the consultation piece as well as creating wonderful ideas in terms of legislation and providing support to me in ensuring that we had the very best piece of legislation possible.

I also want to thank the opposition for their support of this bill, recognizing that, you know, I'm proud of the work that I did, consulting with so many thousands of Albertans on this. I really do feel that it's a good piece of legislation, so I'm thankful for the support on that.

Mostly, I did just want to take a moment to also remember the challenges that the community of Fort McMurray is going through right now. It was a challenging time back in May. It was truly my privilege to be there with them at that time, and I cannot say enough how committed I continue to be to the well-being of that community, that I certainly promised to be with them then. I promise to be with them now, and I promise to make sure that they will have the tools they need to be successful and grow in the future.

I certainly look forward to ongoing conversations in the future with Albertans from right across this province regarding possible future changes to this legislation. Thank you, Mr. Speaker.

The Speaker: Hon. members, the hon. Minister of Municipal Affairs has moved third reading of Bill 21, Modernized Municipal Government Act.

[Motion carried; Bill 21 read a third time]

Government Bills and Orders Committee of the Whole

[Ms Jabbour in the chair]

The Chair: Hon. members, I'd like to call Committee of the Whole to order.

Bill 25 Oil Sands Emissions Limit Act

The Chair: Are there any further questions, comments, or amendments with respect to this bill?

Mr. Drysdale: Madam Chair, I have an amendment I'd like to present. Would you like me to wait until you get it? Probably.

The Chair: This will be known as amendment A4.
Go ahead, hon. member.

Mr. Drysdale: Thank you, Madam Chair. On behalf of my colleague from Calgary-South East I would like to move that Bill 25, Oil Sands Emissions Limit Act, be amended as follows:

- A. Section 3 is amended by adding "Subject to section 3.1," before "without limiting the authority";
- B. By adding the following after section 3:
3.1 Before the Lieutenant Governor in Council may make regulations under section 3, the Lieutenant Governor in Council shall consult with the public with respect to the content of proposed regulations under section 3 and make public a report of the finding of such consultation.

You know, I'll speak to it now if that's all right. Thank you, Madam Chair.

I rise today to propose an amendment to Bill 25, Oil Sands Emissions Limit Act. This act, an act that we have discussed at length in this House, is a piece of legislation that has the potential to greatly impact many, many Albertans. We know that the energy industry has played a major role in shaping the province and indeed helping to create and build the Alberta advantage. It is important to a great many Albertans that we support the industry that has been the primary source of prosperity for so many.

I think this legislation could be greatly improved if we give more Albertans the chance to provide their feedback on the actions being taken because one major issue with this bill is that there is so much that isn't contained in the text of the bill, which means that we're being asked to pass a bill, to pass legislation, when we aren't even able to say confidently what the impact of the bill is going to be. There's so much latitude being given to the government to change the impacts of this bill through regulations, so the bill that we're debating in this House does not give us the full picture.

10:30

The amendment I'm proposing today would not solve all the issues with this bill, not by a long shot, but I believe that it will address one major shortcoming. I believe that it'll address the problem of regulations being developed with no input from anyone but those in the NDP inner circle. We really want to see input from the affected parties. We want to see input from industry, from Alberta workers, and from environmental groups. We need that variety of experience, the depth of opinion to ensure that these regulations are going to be in the best interest of all Albertans.

This amendment would enshrine the idea within this act. It would require that when the government begins developing the regulations, it would actually have to consult with these stakeholders and interested parties. They would need to bring their ideas out into the light of day and share them with the public before they go ahead with changes. Hopefully, this will help them to do their homework so that they don't have to go back to the drawing board every time their ideas spark a massive backlash from Albertans.

So I ask all members of the Assembly to join me in supporting this amendment, and I hope the government takes this opportunity to apply these principles of transparent and accountable government in making regulations around this bill.

Thank you, Madam Chair.

The Chair: Just to clarify, hon. member, you are moving this amendment on behalf of the Member for Calgary-South East.

Mr. Drysdale: That's correct, yeah.

The Chair: Are there any members wishing to speak to amendment A4? The hon. Member for Innisfail-Sylvan Lake.

Mr. MacIntyre: Thank you, Madam Chair. I think it is vitally important that public consultation take place on everything that we do. We have legislative committees that were originally designed to be part of this Westminster parliamentary system, with which we

are sometimes feeling like we're saddled. We have these different avenues for the public, the people of Alberta, to come and talk to us about the very things that we are doing in this room, that impact their lives so profoundly.

When we have something like a bill like this, that is so far-reaching, so broad in scope that it is going to actually impact generationally – it's not just for now, and it's not just for next year. Because of the nature of this bill we are going to see its impact for generations. It is going to impact our development in the north. It is going to impact jobs. It is going to impact new companies coming to this province. Given the significant impact that this bill is going to bring upon our province, I think it is only appropriate that the government of the day take the time to really consult with the public.

Now, I'm going to point out again that the oil sands advisory group was supposed to be a body that this government put together to advise it on these very issues. Although I could go on at length – and maybe I will – about certain appointees that are on this panel, nevertheless, Madam Chair, the reality is that the taxpayers are paying for a panel. The taxpayers are paying for a panel that this government says is a panel of experts that's going to advise this government on the pathway forward for the future, yet I see no report. I see no report. Has anyone seen a report from OSAG in this place? No. It's not here. Yet this government is in an all-fired hurry to get Bill 25 through this House and out before Christmas.

Well, for a government that campaigned on transparency, for a government that claims to have learned from the lessons of the previous administration, that was turfed out of office because they would not listen to Albertans, it just seems to me rather odd that this government isn't even waiting for a report from their own panel unless, of course – unless, of course – the outcome of that report has already been predetermined even before they have filed the report; unless, of course, that panel is nothing more than window dressing; unless, of course, that panel is nothing more than a rubber stamp on a predetermined outcome.

I would hope that that is not the case. I'm sure Albertans are hoping that that is not the case. I'm quite sure Albertans are hoping that this government is going to act in an honourable way and not give the OSAG panel what the outcome ought to be but, rather, wait – wait – upon the panel for their report to come to us.

This amendment that we have before us gives the government an opportunity to demonstrate some accountability and some transparency and some genuine consultative attitude in that it asks the government, "Before the Lieutenant Governor in Council may make regulations under section 3, [they will] consult the public." We're supposed to be a democracy, and that means government by the people, for the people, and of the people. There are three parts to that. Leave any one of those parts out, and you don't have a right to claim you're being a democracy. We are of the people – we've got that covered off – but it's supposed to be government for the people. This government hasn't done so well in that regard.

This amendment is simply asking the government to consult with the very people of Alberta who pay the bill, consult with the very people who are going to be impacted by Bill 25, consult with them before the Lieutenant Governor in Council goes and makes regulations because, as we have seen, there is a pattern from this government where time and time again, in bill after bill the details in the regulations are not known to this House. Yet it is on those details – as they say so often, the devil is in the details – that the government comes in with sweeping, often vague generalizations in a bill, and when the opposition or the press or stakeholders ask the government regarding specifics, we are all given a similar phrase: stay tuned.

That, frankly, is disrespectful to the people of Alberta. They have a right in this democracy to know what this government is about to do to them, a right to know fully what this government is about to do to them. This particular amendment is not in any way constraining the Lieutenant Governor in Council. It is simply saying: talk to Albertans before you go and make some sort of arbitrary policy decision or regulation here, talk to Albertans, talk to the specialists out there, talk to the very people that you are going to impact, potentially adversely.

Again I will state that this government has a pattern. They have a record of doing things, and then the people of Alberta respond negatively. They responded negatively to Bill 6. They're responding negatively to the carbon tax. Again and again it's over the same issue. You did not talk to Albertans. A government in a democracy needs to be very good at communicating, and part of that is listening. Elected persons in a democracy are to listen and represent the will of the majority of their people. That is definitely not happening with this government.

I wholeheartedly support this amendment. I wholeheartedly encourage every democratically elected person in this room to support this amendment. This is a very excellent way for this government to demonstrate that they are interested in listening to Albertans, and I would suggest that if the government votes this amendment down, as they have so many others, they're sending a very strong signal to Albertans again that they're not interested in what Albertans have to say. They're not even interested in what their own OSAG panel has to say.

10:40

The politicians, who are not experts in much and especially not in something to do with Bill 25, have come up with a bill, Bill 25, and they need to listen to everyday Albertans, hundreds of thousands of whom are the experts in the patch, hundreds of thousands of whom are the experts in the oil sands field, hundreds of thousands of whom are the experts out there. They're the ones with the boots on the ground, dealing with this stuff. They're the ones engineering these things, and it's their jobs that are being impacted, their futures that are being impacted by Bill 25. It only makes sense to provide an opportunity at every step of the way for those people to have some sort of input into what the government is going to do to them. That's really what this amendment is all about. I encourage everyone to support it. I will be standing in support of it.

Thank you, Madam Chair.

The Chair: Any other hon. members wishing to speak? The hon. Member for Chestermere-Rocky View.

Mrs. Aheer: Thank you, Madam Chair. I just wanted to continue to speak a little bit about what the hon. member brought up and also in support of this amendment. There are a few things. You know, as government and opposition we have a lot of opportunities to wade heavily into the weeds of all of these issues, and there's many a night where I know we sit personally looking at a lot of this information, trying to wade through it, and trying to understand it, and we have access to a lot more than the average Albertan, even in opposition. We have a small but mighty team, but, boy, they sure work hard trying to get us updated on a lot of this information.

I know that when I'm out explaining what's going on, obviously I have a specific direction that I believe is appropriate for the way that this province should go, and, granted, I have access to a lot more information than a lot of people, too. So the reason that myself and my caucus would have for wanting to make sure that

accountability comes in is because we're actually getting asked those questions every day.

If you consider that average Albertans, the ones who aren't marinating in this the way that we are, are reading about OSAG panels and then they're going to read about what the government is saying about wanting to bring together all sorts of different people to have a discussion on a panel to bring legitimacy to the decisions but then the opposition, rightfully so, in my opinion, is pointing out that that panel isn't actually going to bring forward information necessary to legitimize the decisions of the government – that conflict could so easily be resolved by government, actually. In fact, it would take away any ability for us to stand up here and talk about it at all. It's interesting to me. I mean, that's one little tiny thing.

If you consider just an average person walking around out on the street: you're reading about the OSAG panel, and you're reading about environmental activists that are on there that are not willing to actually contribute information to everyday Albertans who are struggling right now trying to understand how to move forward – right? – how to put food on the table, how to talk to their grandfather, who is 60, who hasn't got a job in oil field services right now, or talk to their dad, that was a pipefitter or in oil field services, that all of a sudden has changed his job to something else that's probably far out of the scope of his education or expertise, or even just watching the slow and steady and very sad move of people out of this province to other jurisdictions.

Even the average investor – and in Alberta we have a lot of people who invest not just elsewhere but who are heavily invested even in our province, lots of average, everyday people. Everyone is taking a look at those portfolios and wondering if they can actually keep that money here in the province that they love. Can you imagine being an Albertan, having invested in this province, having faith in what it is that brought this province to, I mean, a very, very good state of life for people and also a very ethical and thoughtful group of people? Those of us in this province who have invested time, hours, energy, and everything into something, into the oil sands, into the oil sector, into the gas sector, into the energy sector all of sudden being told that everything that we've done under the regulatory process that was there – and may I also remind the House that we were the first province that actually had a price on carbon for anybody. So imagine all of that for the average Albertan out on the street every single day looking at that. And that's just the OSAG panel. That's just that.

What the member is asking for in his amendment, again, will help bring legitimacy and credibility to policies that this government is trying to bring forward.

Again, I really believe the government has the power and the ability to be able to align those two things a little bit closer together to at least bring forward panel discussions. Also, may I remind the government that the government didn't pay for that panel; Albertans did. That panel answers to Albertans, not you. That panel is paid for by Albertans, not you. What a privilege to have the ability to use taxpayer dollars towards something that you truly believe in. Well, stand up for yourselves, and bring forward needed information that Albertans shouldn't have to demand. It's the responsibility of government to do that and to bring that forward, especially when you promised them information that could help bring things together. That's the responsibility of government.

Then if you add on top of that the PPAs – and, again, for an average Albertan looking at that, I'm sure that they never thought that the words "OSAG panel" and "PPAs" would be dinner talk around their tables. Thank goodness they are.

I want to thank the Member for Innisfail-Sylvan Lake for bringing so much of that information to light and shining a light on it. Even if we disagree in this House and even if we disagree out on

the street, thank goodness we live in a country where we can actually do that. Thank goodness. But if he hadn't shone the light on that, the discussion would never have happened, and Albertans would not be allowed to bring forward needed pressure to this government to do the right thing.

It's been one mistake after another, and all of a sudden there's this shemuzzle of puzzle pieces that are not making sense. How is it that those of us who are speaking to Albertans every day are justifying that and those losses and the inability of the government to be able to explain how power is going to work for people or about the subsidies that are going to be there in order to compensate for this very, very big move that the government is making?

Again I'd like to restate for the record that we are – the Member for Innisfail-Sylvan Lake, especially, made his living with renewables. He's written textbooks on alternative energy. We are onside. But the discussion isn't about whether or not to do renewables. The discussion is about how we get there. Our outcomes are similar, but the policy that's being created on how we get there: that's what's different. What we're asking for is not unreasonable. We're asking the government to apologize to electricity companies or take back what they've done. But we've gone too far to do that. They can't reverse what they've done at this point. Instead, what we're asking for, then, is that in the future, with more decisions, which I'm sure this government will make, there's accountability in place not just for this government but for future governments as well.

Everybody is going to have issues. Everybody is going to make policy that doesn't make everybody happy. It happens. But when you add accountability and you add credibility to that by making sure that those consultations are firmly in that space, even if you're making an unpopular decision, you've really done the work to be able to justify that. That's so important, and I really feel like that's been forgotten in these discussions. It's not about one consultation or two. I'm sure everybody in this House has had more than an earful about the direction, good or bad. It depends on who you're speaking to, and it also depends on where they lie in the line of how this policy should come online.

10:50

Let me say for the record as well that Albertans care about their environment, and they care about their earth, air, and water. Please don't forget that. When we're talking about this, Madam Chair, please, please give Albertans their due respect that they do care about these things. Even though our paths towards policy and the end result might be slightly different, that does not in any way make us climate change deniers on this side or mean that we are speaking against any environmental changes that may need to come down.

As it's been pointed out to us, there are many large corporations that have stood up with the government – and, you know, with all due respect, I understand why – because there is work that needs to be done, for sure. There are thousands and thousands and thousands and thousands of people that work for those fellows, that work for those people, those people who work in those companies, regular, everyday people that are actually going to be impacted by the policies that are being put through by this government in their homes, in their own other businesses, their children's businesses, the schools, the charities they support. What about those guys? What about all of the other smaller companies as well, Madam Chair? What about those folks? Those are the fabric of what has made up this province. That's the economic engine.

If you're looking for diversity – and, I mean, we talk about diversification all the time, too. Just last week I had the absolute privilege of meeting with a group at the Schulich School of Engineering. Did you know that they have a process whereby they

can upgrade underground? They actually take the coking materials – right? – and they actually take it underground. They blast it underground, and they're able to use less than one and a half barrels of water in a SAGD process and have an immense amount of recovery of product coming up. Did you also know, Madam Chair, that millions and millions of taxpayer dollars, Alberta and federal, have actually already been put into this program? It's already there, and it's been shelved. But isn't that a great solution to some of the problems that we've all been talking about in terms of recovery, right? We try and offer some solutions. I would love the opportunity to bring some of these folks or give them the opportunity to come and talk to the government about their opportunities. These are shelved pieces of diversification.

The dollars have already been spent there, Madam Chair, already. There are Alberta taxpayer dollars already in this diversification, and that's one of probably hundreds and hundreds and hundreds. There's absolutely no way, even in the 19 months that I've been here, that I could possibly talk to every single one of those people. Literally, like, I have 10 or 15 e-mails a week about ideas in diversification.

There's another group that has fibre-optic technology that can be placed in with pipelines and especially with the two pipelines, right? We have a right-of-way being built, and we have line 3, which is being fixed up. There is technology to lay fibre optics along with pipelines that can tell, like, to several metres about breaches in pipelines right away. You could literally feel the press of a hand or the movement of walking if you wanted it to be that sensitive. Brilliant, brilliant technology. I can't believe that these are made-in-Alberta solutions that actually exist here already. I literally go into these meetings – as you all know, this is not my background, not by a long shot. I'm the farthest thing from an expert in this House, for sure, especially in this portfolio, but I have a desire to learn, and I have a desire to listen, and I have a desire to listen to the experts that actually live here, the ones that have actually worked in this field, the ones that actually know this information, so you can imagine from my eyes going into that situation and seeing those things.

Well, we do have experts amongst us that could look at this innovation and this diversification and weed out what works and what doesn't, but at least let's look at it. We have opportunities here. That's a solution. It's a wonderful solution to the fear of pipeline breaks, breaches, weather, all of those things.

Think about, just for a minute, the miracle of being able to bring oil out of sand. That's incredible. If you had talked about it 50 years ago, you know, and when people first started talking about this – my father is a chemical engineer, and I remember us talking about this, and it was such an interesting thought, interesting table talk around our house. Then when it actually was feasible and then to be able to actually find out how to pull this immense resource out of our ground – it's incredible.

The other incredible thing is the environmental research that has come along with that as the process has gotten better, as innovation has gotten better.

These sorts of amendments, these accountability amendments, Madam Chair, are specifically there to protect all people, making sure that government policy is doing what it's saying it's going to do. I would certainly want that, and I would certainly hope that if government is willing to put in accountability measures now, it shows that that homework is done. It shows to Albertans that it's a thoughtful process, and it moves away from ideology. It moves into common-sense practicality, from model to form, from paper into model, all of these important steps that are imperative for everybody, especially for us in here to understand but also to be able to take home with us to our constituents.

You know, the constituency of Chestermere-Rocky View is a really diverse constituency, and it hugs the entire outside of Calgary. We have everything from, you know, oil sands workers to farmers, executives downtown in oil field services, all sorts of different technologies, not just oil and gas but many sectors and spinoff sectors as a result of oil and gas. Then in the city of Chestermere and little places like Langdon we have these little communities that have sprung up and become beautiful, viable communities as a result of this industry, beautiful little bedroom communities that have sprung up as a result of being able to work in the field to be able to bring these products out of the ground and then spring up these little communities that have, you know, coffee shops and businesses and restaurants and all of these things that are spinoffs as a result of this incredible industry that we have.

So when we're asking for accountability, we're not only asking for it of the government but also of ourselves, for everybody that's in this House, so that we can breathe easier knowing that the government cares about Albertans and that they're willing to give that information, that they're willing to stand up for their policy and say: this is why and this is how we're going to measure it, and this is what we're going to do to show you that what we're doing is right and that this is our policy. Like I said, that bears so well for any future governments that may come into this House because that would be the expectation of any government, I would think.

I think, too, that when a person is willing to take responsibility for their policies and what they are going forward, that really, really brings forward an air of collaboration which means, then, that in the spirit of what the environment minister had mentioned about the OSAG panel, bringing forward a whole bunch of different people to work within this group collaboratively – well, let's say that that's the right thing to do on that panel. Well, why wouldn't you want to do that in this House as well, right? You have a panel. Granted, it's not going to report in time because this legislation will – I could stand here and talk about it probably until next Tuesday quite easily, but we all know that this is going to be through before Christmas, right? So where's the collaboration?

You know, we are always told that we should look for solutions. Well, the solutions are in collaboration. The solutions are in actually listening to each other, right? The solutions are in listening to the sector, and the solutions lie in being able to take advice even if it's not the advice you want to hear, even if it goes against what you initially had, what compelled you to put policy together in the first place, and acknowledge the missteps, make amends, and go forward.

We make amendments here in order to try and make legislation better, and agreeing to some of those amendments is the government's way to show collaboration with the opposition parties. There just hasn't been a whole lot of that, so whatever solutions we could bring forward like some of these innovative styles, like at least stepping back from this just a little bit.

11:00

I mean, if the federal carbon tax is going to come in in 2018, why not take a step back for a moment and allow us the opportunity to do some metrics, to do some cost-benefit analysis and see how this is going to impact everyday Albertans, not just us, not just our policies, not just our relative ideologies but actual Albertans and their families and the sector? Why are we attacking this sector?

Madam Chair, I highly, highly recommend that the House vote in favour of this amendment, and I would like to thank the member for bringing this amendment forward. Thank you.

The Chair: Any other hon. members wishing to speak to amendment A4? The hon. Member for Cardston-Taber-Warner.

Mr. Hunter: Thank you, Madam Chair. I'd like to speak to this amendment. I think that it's actually quite a brilliant amendment because it addresses something that I think is wrong with our Westminster system, and that is that we pass a bill and then we create the regulations. Those regulations aren't really vetted by this House. They're not vetted by Albertans. It's just what you get. I think that that's one of the concerns that I have with the system that we have in place right now and maybe something that frustrates Albertans.

The Member for Grande Prairie-Wapiti, in bringing this forward, I think addresses one of the systemic problems that we have with our program and what we're trying to do here. I really like that he's trying to address that by saying that "the Lieutenant Governor in Council shall consult the public with respect to the content of proposed regulations." Again, this whole idea that we pass a bill, that we identify whether the bill should be passed or not, and then we get into the details – as my hon. colleague has said, the devil is in the details. Knowing that, I think that this addresses the fundamental problem with the way that we do pass bills in this House in that we don't really understand or know what those regulations are going to be. We don't know what the details are going to be.

So I'm very intrigued by this, and I hope that the members opposite recognize that this is an opportunity for all of us to be able, again, to step back from the desire to be able to pass this bill because we think that it's right or wrong and take a look at how it will affect Albertans and how it will affect the people who are in the industry in the trenches – the businesses, the small businesses – and then be able to have that report open and transparent for Albertans to be able to say: well, this is the outcome or this is how the effect of these regulations and how they're developed is going to affect this sector.

You know, I have to say that I'm surprised that there hasn't been an amendment coming forward to change the name of this bill to something like The NDP's Approach to Keeping the Oil in the Ground without Saying that They Want to Keep the Oil in the Ground.

An Hon. Member: I think it's too long.

Mr. Hunter: Yeah, it is a little too long, and I think that it probably wouldn't sell.

In reality, when the Leap Manifesto group said, "We want to keep it in the ground," I was actually very happy to see this Premier stand up and say: "No, no. That's not what we believe." In reality, Madam Chair, this bill is saying exactly the same thing: we just want to keep it in the ground. It's just not saying: we want to keep it in the ground. So the bill itself I'm opposed to because of that very fact.

We have for some strange reason been blessed with that kind of a resource in our province. We should be focusing on how to be able to extract it efficiently and effectively, in an environmentally friendly way. We should be focusing on the technology part of it because that technology has made leaps and bounds. I'm not in the industry, to tell you the truth, Madam Chair, but I've been able to read lots about the industry, and it's exciting to see the kind of technology and innovations that they've made in that industry. We have this resource, yet this bill that we have before us, Bill 25, is saying that we want to keep it in the ground. That's what it says.

You know, we've talked about consultation with Albertans, consultation with people in the industry. The problem is that when you consult with them, you may get an answer that you don't like, and perhaps that's the reason why we're really not getting this consultation. Is there an economic impact study? If there is, we'd love to see it. How is this going to affect the industry? How is it

going to affect jobs? People in our province are hurting right now. How is it going to affect them?

I am pleased to stand in support of this amendment, and I hope that all of my colleagues, on both sides of the House, will do so as well. Thank you, Madam Chair.

The Chair: The hon. Member for Edmonton-McClung.

Mr. Dach: Thank you, Madam Chair. I'm pleased to rise today to speak against this amendment to Bill 25, that was moved on behalf of the Member for Calgary-South East. I think that the motivation behind this amendment is one of fear on the part of opposition that the oils sands advisory group will have a preordained outcome and that it won't provide advice that has been freely arrived at through robust debate, and nothing could actually be further from the truth.

Critically, when the climate leadership plan was released last year, our government made a commitment to the health of Albertans, their economy, and their environment. As the Minister of Environment and Parks has outlined, this legislation puts a 100-megatonne limit on Alberta's production. Critically, Madam Chair, this limit was established by a diverse group of stakeholders from Alberta's oil sands industry as well as national and Alberta-based environmental nonprofit organizations.

This legislation provides a framework for the oil sands advisory group to engage with stakeholders and the public on the regulatory details for the implementation of this limit. Let's be clear on this. While this legislation establishes the limit, the details regarding the application and implementation through regulations will be left to the experts in the oil sands industry after they engage and consult with industry and the public. The outcome will not be preordained.

On one hand, the opposition argues that the membership makeup of the OSAG has got extremists on either end of the spectrum and won't be able to reach consensus. On the other hand, they argue that the OSAG is simply going to rubber-stamp a government preapproved wish list. They can't have it both ways. The makeup of the OSAG was designed specifically to ensure that there was a robust debate and that all spectrums of the arguments would be considered so that government receives a very carefully and robustly debated analysis of the issues at hand.

What we're looking at is to ensure that our resources are protected long term. This government is looking long term to ensure that we actually are able to get our oil sands to market. The results of this type of consultation and very considered response to those who might oppose the development of our oil sands has been evidenced very, very recently in the fact that we had two pipelines approved as a result of very, very significant efforts on the part of our government and our Premier to discuss in a very reasoned way what requirements there will be in order to gain public approval for pipelines to be built.

One of the things that was required was that we put a 100-megatonne limit on Alberta's production in order that there is some knowledge in the world of the environmental side that we really respect the fact that the environment has to be considered.

11:10

By the same token, this lack of trust for the OSAG is unwarranted. We're looking long term at being able to extract this resource, develop it. Moreover, the limit will be linked to the Climate Change and Emissions Management Act in order to maintain consistency with the existing greenhouse gas regulatory framework. This linkage to the Climate Change and Emissions Management Act is critical as it is the existing legislative framework in place to manage greenhouse gas emissions, which

sets out the intensity-based reduction targets for all large emitters in the province.

Madam Chair, let me make something perfectly clear. This limit on oil sands emissions will promote the long-term sustainability of Alberta's economy. This 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, including moving our product through two pipelines, which, hopefully, will be built as they have been approved to be.

Innovation, Madam Chair, also facilitates job protection and job creation. We will reinvest in new, innovative emissions-reducing technologies here at home to ensure that Alberta is successful and that jobs are protected and created. Our government is extremely proud given that the energy sector has significantly contributed to both provincial and national revenues. I'm proud that when our Premier presented Alberta's climate leadership plan at last year's United Nations climate negotiations in Paris, it received positive international recognition. It's also a step forward in protecting the long-term investments in the industry.

Let's be frank: carbon is an input cost. Not surprisingly, oil producers have asked our government and previous administrations to provide them with a carbon and climate framework so they can make decisions about long-term investments, and that's what this government is all about, the long-term investment, the long-term future, something that's very difficult for governments to plan for because most governments focus on a short four-year cycle. We know that in order to protect Alberta's interests, protect that resource, ensure that we can actually get that to tidewater, sell our product, sell our oil overseas at the best possible price, we do have to make changes to gain the public approval that will allow those pipelines to be built and that price to be achieved.

This is leadership, Madam Chair. Albertans should not be susceptible to a boom-and-bust economy that has many of Alberta's families and communities in difficulty, and that's one of the reasons I rise to oppose this amendment.

Thank you.

The Chair: Any other members wishing to speak to amendment A4?

Mr. Hunter: Just one more point, Madam Chair. I appreciate what the hon. member was saying, but the problem with this bill, in saying that we're going to keep it in the ground, is that other jurisdictions are ramping up production. We are actually saying that we're going to restrict our ability to increase our production while every other jurisdiction in the world is ramping up their production. We live in the same world. If we're going to have this social licence, this ability to actually say that we've gained social licence because of this, in reality we breathe the same air. They're ramping up production. We're decreasing production. How are we actually helping Albertans with gainful employment? This is the problem.

The members opposite don't seem to understand that, in reality, we're shackling our abilities. This is restriction of supply – that's all it is – and when you restrict supply, you create a higher equilibrium price. It's simple economics, and these guys don't seem to understand that. I want them to make sure they understand that this is a restriction of supply when everybody else is increasing supply in the world market. This is the reason why this is fundamentally wrong. This whole bill is fundamentally wrong, and this is not the idea of being able to gain access to foreign markets. Foreign markets would love to get our product. We just need the ability to get it there.

I actually do applaud the government for being able to get those two pipelines approved. I would like to say that on the record, that I do approve of them doing that, and I'm grateful that they were able to work hard to do that. I would also like to say that if there's anything we can do as the opposition to help them get them built, we will do everything we can to do that. Everything we can. We have been very supportive. We've said it on the record. We are very supportive of the government building pipelines to all tidewater, and we want to make sure that they realize that, but this approach that they have is going to restrict supply. Simple. If they don't understand that, getting it to tidewater isn't really going to help us as much.

These are the things that I wanted to point out, and I appreciate the opportunity to be able to just make that clarity. Thank you very much, Madam Chair.

The Chair: Any other members wishing to speak to amendment A4?

Seeing none, I'll call on the hon. Member for Calgary-Mountain View.

Dr. Swann: Thank you, Madam Chair. I think it's important for us to continue to wrestle with this issue. The issue for Alberta today is whether we lead or whether we follow. It's been probably 50 years since we began hearing about some of the impacts of increasing carbon in the environment and the growing evidence that temperatures were associated with it, that extreme weather events and changes and floods and droughts and these sort of issues were coming forward.

It's difficult to make change, especially when you're a leader. It does mean that you take some hits. As the Stern report said 10 years ago, a very voluminous discussion, the best experts in the world on climate science: we can spend 2 per cent of our GDP on trying to mitigate and reduce greenhouse gases now, or our children will pay 20 per cent of our GDP dealing with greenhouse gases. That was 10 years ago. Even former Bank of Canada chief Mark Carney said that we're going to have to leave something in the ground, or we will not achieve any control over the climate.

Of course, leadership means not being necessarily fully competitive with other jurisdictions. That's what leadership means in this context. We do have to pay. If Alberta is not willing to pay a little bit, who is willing to pay?

Mr. MacIntyre: No one else is.

Dr. Swann: Right. So are we going to accept that we can't be leaders? Are we going to say that we can't be leaders?

I want to applaud the government for the exemptions that it has put in place. Cogeneration is going to be exempt, and that's coming from the oil sands. All cogeneration is exempt. There's a limit of 10 megatonnes. Exceptions for new methods that result in low emissions such as experimental projects in primary production which extract bitumen through drilling without the use of heat or steam: these are stimuli for new technologies in the oil sands. That's going to take us to a new level.

Can the environment take ever-increasing levels of carbon? No. There's a cap that has to go on that, and the cap is associated with a 1.5- to 2-degree increase that's projected in our climate temperature. We're at 400 parts per million now. Some say 350 or 375 was kind of associated with that 1.5- to 2-degree increase in our temperature over the next hundred years. That carbon, that greenhouse gas is staying up there for 100 to 150 years. We're not going to turn things around in the next hundred years regardless of how dramatically we change things here, but we have to start. We have to show leadership. This will actually stimulate new

technologies. It will stimulate new business. It will stimulate a new economy.

As much as I have concerns about how this is going forward, I have to say that I can't support this amendment because it's not recognizing the need that leadership always presents. Not all of the population is ready to go along. If you ask people if they want an increased tax, they will say: no, thank you. Actually, what is needed is strong leadership and a willingness to put a cap on what we're doing to show not only Canada but the world that Alberta, the most privileged, the most wealthy, the most well-resourced place on the planet, recognizes its responsibility to show some leadership. Yeah, it's going to cost us something. We need to make provisions for people who are transitioning from coal. We need to provide new technologies and jobs and opportunities for them; we need to financially support them if they are in distress. That's what a good government does.

We have to make sure that we stimulate with research and technology not only better ways of extracting our main resources, which are fossil fuels, but research the new technologies around geothermal and solar and wind that could help us actually make the transition and show the world that we're not dragging our feet, that we're not staying back in the fossil fuel age of a hundred years ago. We're recognizing that there are limits. We're acknowledging with the rest of the climate science and the rest of the international community that we have to put a cap on what the planet can take. The planet cannot continue to take increases every year. Yes, leadership does mean that we're sticking our necks out.

11:20

Mr. Hunter: Other jurisdictions are increasing.

Dr. Swann: Yeah, they may be increasing. Well, are we just going to follow that blindly right over the edge of the cliff and leave our children to deal with the crisis? I'm saying that it's time to show leadership. It's time to show leadership.

I spoke against the unlimited borrowing of the Power Pool. I speak for this bill. Thank you, Madam Chair.

The Chair: Any other speakers to amendment A4? Innisfail-Sylvan Lake.

Mr. MacIntyre: Thank you, Madam Chair. It seems to me that in this discussion there is a philosophical issue that has surfaced, and that is: who leads? The last time I checked, the good people of Alberta seemed to think they should be leading. Last time I checked, the people who in this province cast their ballots every now and then when there's an election seem to be under some misconception that they're in charge when, in fact, this government and the hon. member seem to think that they can be ignored.

The real leaders in the province of Alberta are Albertans, and that needs to be established in everything that happens in this House. When any government ignores those people – even totalitarian governments that ignore the people eventually come down. Any governments and political parties that do not listen to the people ultimately suffer the wrath of the voters on election day, and they are reduced to seven or eight seats, reduced or held to a single seat, or completely lose their seats, as has happened many times. As the saying goes, Canadians don't elect governments; they unelect governments.

Now, we have leaders in this province, and their names are the Albertan people. They're the people who are supposed to be leading, and contrary to what the hon. member just said, if the good people of Alberta really don't want to be taxed, then we should not tax them. They are adamantly opposed to the carbon tax. They are

adamantly opposed to a number of the taxes that this province has been saddled with.

We have news releases coming out that Alberta's ranking as a place to invest in oil and gas, which used to be, like, in the top three consistently, has now plunged to the basement, and it has to do with government policies. It does not have anything to do with the price of oil. Just next door, in Regina and Saskatoon those oil companies and gas companies are very busy. They're posting job increases, not just part-time jobs. They're posting significant job increases, and I will say that some of those new jobs are for people from the magnificent riding of Innisfail-Sylvan Lake. I know there are some young guys that are heading on over to Saskatchewan. We are down to the 43rd position out of 96 oil and gas jurisdictions in the world. That's how far our province has fallen as a result of this government not listening to the leaders in the province, the people.

We are getting further and further away every week from being a genuine democracy in this province. We have a government that isn't listening again. Here we have an amendment giving an opportunity for this government to start reversing that trend and start listening to Albertans, and the government sounds like they are not interested, which is no great surprise. Nevertheless, it is our place as Her Majesty's Official Opposition to point out where the government is going amiss, and we will continue to do that faithfully because the leaders in this province, Albertans, expect us to do this.

I wholeheartedly support this amendment for the multiple reasons that others have stated and that I have stated, and I would hope that everyone in this House would consider it. Thank you.

The Chair: Any other members wishing to speak to amendment A4?

Seeing none, I'll call the question.

[The voice vote indicated that the motion on amendment A4 lost]

[Several members rose calling for a division. The division bell was rung at 11:26 a.m.]

[Fifteen minutes having elapsed, the committee divided]

[Ms Jabbour in the chair]

For the motion:

Aheer	Hunter	McIver
Drysdale	Loewen	Panda
Ellis	MacIntyre	Stier
Hanson		

Against the motion:

Anderson, S.	Hinkley	Miranda
Bilous	Hoffman	Nielsen
Carson	Horne	Phillips
Connolly	Jansen	Piquette
Coolahan	Kazim	Renaud
Dach	Larivee	Rosendahl
Dang	Littlewood	Sabir
Drever	Loyola	Schmidt
Feehan	Luff	Sucha
Fitzpatrick	McCuaig-Boyd	Swann
Ganley	McKitrick	Turner
Goehring	Miller	Westhead
Gray		

Totals:	For – 10	Against – 37
---------	----------	--------------

[Motion on amendment A4 lost]

The Chair: The Acting Deputy Government House Leader.

Ms Ganley: Thank you, Madam Chair. I move that the committee rise and report progress.

[Motion carried]

[The Deputy Speaker in the chair]

The Deputy Speaker: The hon. Member for Calgary-Shaw.

Mr. Sucha: Thank you, Madam Speaker. The Committee of the Whole has had under consideration a certain bill. The committee reports progress on the following bill: Bill 25. I wish to table copies

of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

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

Hon. Members: Aye.

The Deputy Speaker: Opposed, say no. So ordered.
The Acting Deputy Government House Leader.

Ms Ganley: Thank you, Madam Speaker. In honour of the memorial event occurring in the Federal building this afternoon, I would like to move that we rise and resume at 1:30 this afternoon.

[Motion carried; the Assembly adjourned at 11:45 a.m.]

Table of Contents

Prayers	2317
Orders of the Day	2317
Government Bills and Orders	
Third Reading	
Bill 21 Modernized Municipal Government Act	2317
Committee of the Whole	
Bill 25 Oil Sands Emissions Limit Act	2320
Division	2326

Alberta Hansard is available online at www.assembly.ab.ca

For inquiries contact:

Managing Editor

Alberta Hansard

3rd Floor, 9820 – 107 St

EDMONTON, AB T5K 1E7

Telephone: 780.427.1875