

Legislative Assembly of Alberta

Title: Wednesday, April 4, 2007

1:00 p.m.

Date: 07/04/04

[The Speaker in the chair]

head:

Prayers

The Speaker: Good afternoon.

Let us pray. We give thanks for the bounty of our province, our land, our resources, and our people. We pledge ourselves to act as good stewards on behalf of all Albertans. Amen.

Please be seated.

head:

Member's Apology

The Speaker: Hon. members, before the Clerk identifies the Routine, we do have a matter of business that needs to be concluded, a matter of business that extends from yesterday. Yesterday afternoon the chair offered to the Member for Edmonton-Ellerslie an opportunity to withdraw certain comments and to apologize. The member has returned today, so the chair will ask the hon. member if he is prepared to do such.

Mr. Agnihotri: Thank you, Mr. Speaker. I recognize that some of the wording in my questions yesterday was inappropriate for this Assembly and that there were some offending comments. I would like to withdraw the comments made during question period yesterday. I'm sorry if anybody was offended by my question. That was not my intention.

Thank you.

head:

Introduction of Visitors

The Speaker: Hon. members, I'm pleased to introduce a distinguished member of our armed forces who has done much for our country and for this province and the Edmonton region. In the Speaker's gallery is Brigadier-General Tim Grant, a cavalry officer who has commanded the Lord Strathcona's Horse. Prior to his deployment to Afghanistan six months ago he was the Commander Land Force Western Area. Here on a brief mid-tour leave, he will resume his duties as Commander Task Force Afghanistan, National Command Element, in Kandahar in just a few days from now.

He is well chosen for what is surely the most challenging operational command in the Canadian army since Korea. His exceptional abilities and unrivalled experience will be put to good use as he is to be promoted to major general this summer to take a key leadership position in the Canadian Expeditionary Force Command. This organization is charged with mounting and sustaining the operations of our forces abroad.

Brigadier-General, it may be of interest to you to know that a former member of this Assembly, Douglas Corney Breton, an MLA from 1926 to 1930, served in Afghanistan during World War I as a member of the British Expeditionary Force.

Throughout his long and varied career General Grant has been supported by his very lovely and charming wife, Sharon.

The Grants are accompanied by the Honorary Lieutenant Colonel of 15 Military Police Company, Sol Rolinger, and his wife, Marilyn.

Brigadier-General Grant, please return safely to Afghanistan and take with you the thanks, the prayers, and the best wishes of the people of Alberta and convey such to all of those in your command. We're pleased and honoured to have you with us today.

head:

Introduction of Guests

The Speaker: The hon. Minister of Advanced Education and Technology, please.

Mr. Horner: Thank you, Mr. Speaker. On your behalf I would like to introduce to you and through you to all members of the House 76 visitors: 66 grade 6 students from Westlock elementary school, who are accompanied this afternoon by teachers Mr. Dan McDonald, Mrs. Sandy Jones, Mrs. Maggie Cournoyer, Mr. Marcel Turcotte, and Mrs. Linda Wallace. In addition, program assistants Mrs. Randi Lethebe and Mrs. Chantal Roberts are in attendance as well as parent helpers Mrs. Donna Turner, Mrs. Lynne Proulx, and Mrs. Rachelle Koch. They are seated, I believe, in both galleries. I'd ask that they rise and receive the traditional warm welcome of this Assembly.

The Speaker: The hon. Minister of International, Intergovernmental and Aboriginal Relations.

Mr. Boutilier: Thank you very much, Mr. Speaker. I am pleased today to introduce to you and through you to members of the Assembly Danielle Smith, the Alberta director of the Canadian Federation of Independent Business, representing over 9,200 Alberta businesses who serve millions of the citizens we represent. She's also accompanied today by Janine Halbesma, the senior policy analyst, as well as Daryl Hanak, the executive director of trade policy in my ministry. This organization represents the entrepreneurial spirit of Albertans in serving Albertans as customers and in the work of the trade, mobility, investment agreement that we signed with British Columbia. I'd ask them to rise and receive the very warm welcome of this Assembly today.

The Speaker: The hon. President of the Treasury Board.

Mr. Snelgrove: Thank you, Mr. Speaker. Truly, the eyes of the financial world are on Alberta, and it is my pleasure today to introduce to you and through you to members of the Assembly a number of guests with JPMorgan securities. Their offices are in New York and Denver. Today, we have joining us Vivian Altman, Paul Ryan, and Marshall Crawford. Also visiting the Assembly today are Robert Clare of Sullivan & Worcester in New York and John Burns of Gowling Lafleur Henderson, based out of Calgary. I would ask them to all rise and accept the warm welcome of the Assembly.

Mr. Lougheed: Mr. Speaker, later on this afternoon a group from Ardrossan high school will be here, and with your indulgence I'll maybe be able to introduce them at that time.

The Speaker: Okay.
Calgary-Foothills.

Mr. Webber: Thank you, Mr. Speaker. It's been approximately two and a half years since I was first elected to this House, and in that time I've never had a visitor. Not until today. Therefore, I'd like to introduce to you and through you to all members of the Assembly three constituents of mine from Calgary-Foothills who have come up here today from Calgary to visit the Alberta Legislature and to get a bird's-eye view of what goes on here in the House. I'd like to thank Mrs. Janice Osgood, Geoff Osgood, and Julie Osgood for coming here today to visit, and I would ask that they please rise and accept the warm welcome of the Assembly.

The Speaker: And what is the hon. member's office room number?

Mr. Webber: My office is 701, Mr. Speaker.

The Speaker: All hon. members might want to visit.
The hon. Member for Drayton Valley-Calmar.

Rev. Abbott: Well, thank you very much, Mr. Speaker. This morning in your prayers you thanked our Creator for the bounty of our province. Later this afternoon I'll be having a meeting with a couple of my constituents. I'd like them to rise as I say their names: Erwin Zotzman and Ken Bilou. We'll be meeting regarding their concerns over the management of fish populations in Pigeon Lake and in particular the stocking of walleye and the subsequent low numbers of lake whitefish. We hope that those numbers can change. I'd like these gentlemen to rise and please receive the warm welcome of our Assembly.

The Speaker: The hon. Leader of the Official Opposition.

Dr. Taft: Thank you, Mr. Speaker. I have two introductions today, in fact. First, it's a great privilege for me to rise and introduce to you and through you to all members of the Assembly Bill and Margaret Kurtze of Calgary. Bill Kurtze is the nominated Alberta Liberal candidate for the Calgary-Hays constituency. Bill brings 30 years of experience in the oil and gas industry to his candidacy, including a stint as manager of the Independent Petroleum Association of Canada and another as managing director of the Propane Gas Association. Aply supported by his wife, Margaret, Bill promises to be an outstanding public servant when the voters of Calgary-Hays choose him to be their next MLA. Bill and Margaret, could you please rise and accept the warm welcome of members of the Assembly.

1:10

I'm also pleased to introduce a number of visitors from the Battle River-Wainwright area. They're seated in the public gallery: Ken Eshpeter, Jerry Iwanus, Paul Schorak, and Roger Holmes. These fine gentlemen are politically minded citizens, very active in the Alberta Liberal constituency association for Battle River-Wainwright. They've made immense contributions to their communities over the years as public servants, entrepreneurs, farmers, and volunteers. In short, they're simply really good, civic-minded people, and I'm proud to have them join us today. But, Mr. Speaker, I am most proud to introduce Jerry's terrific young daughter Jillian. She's 10 years old, a wonderful young lady. Jillian represents the future of this province, and when we MLAs make decisions in this House, we must always keep people like her foremost in our minds. Would those guests please rise and accept the traditional warm welcome of this Assembly.

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

Dr. B. Miller: Thank you, Mr. Speaker. On behalf of my colleague from Edmonton-Meadowlark I would like to introduce 46 students from Aldergrove elementary school. They're accompanied by their teachers Mrs. Christine Steil and Mrs. Sandy Colquhoun and parent helpers Ms Janet Walker, Mr. Ed Cox, Mrs. Mary Jane Meeker, Ms Tracy Miller, and Mrs. Karen Auger. I'd like to have them stand and receive the warm welcome of this House.

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

Mr. Mason: Thank you very much, Mr. Speaker. It gives me great pleasure to introduce to you and through you to this Assembly members of the executive board of the Operative Plasterers' and Cement Masons' International Association, local 222. In the spring of 1907 a group of tradesmen in the plastering trade formed a local union here in Edmonton and were chartered as local 372 of the Operative Plasterers' and Cement Masons' International Association. For 100 years the members of this union have helped build Alberta as a province, and in 2007 they celebrate their centennial year. The legacy of their contribution and skills as tradesmen is evident today throughout our province in our hospitals, schools, bridges, and refineries. The members of this local are particularly proud of the ornate decorative plasterwork throughout this Legislature Building, which was applied by the founders of this union. Examples of that can be seen in our Chamber today.

In attendance today is the executive board of local 222, who I will now ask to rise as I call out their names: Richard Wassill, the business manager and financial secretary; Ed Arko, the president; James Conway, the vice-president and business agent; Peter Harvey, the vice-president; and Dennis Ossevorth, the sergeant-at-arms. I would now ask that they receive the traditional warm welcome of this Assembly.

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

Mr. Elsalhy: Thank you, Mr. Speaker. It is my extreme pleasure to rise to introduce to you and through you to all members of this Assembly Ms Tiffany McBride, my executive assistant and the constituency office administrator for Edmonton-McClung. Ms McBride is a graduate of Queen's University, with a degree in psychology and history. She's currently enrolled at the U of A, taking introductory courses towards her law degree. I probably don't keep Ms McBride busy enough. This young lady is going to volunteer with the Habitat for Humanity women build program this summer. What's more, she also finds time to help with her very own family-run, successful mulching business, and at 23 she's also the guardian for her two younger brothers. I invite her to stand, please, and receive the traditional warm welcome of this House.

The Speaker: The hon. Member for Edmonton-Beverly-Clareview.

Mr. Martin: Thank you, Mr. Speaker. It gives me great pleasure to introduce to you and members of the Assembly David Hohnstein and Richard Konkin. Dave has been at the Palace Casino off and on for 11 years and is currently a pit boss. Dave has made the gaming industry his career and has worked within it for 20 years. Richard is a dealer at the casino and has been there seven years. He is a member of the union's bargaining committee and provides a great deal of knowledge to the process. On any given evening you can come by the picket line and see Richard working hard for his members. They are valued members of UFCW 401, and they're looking forward to the end of the strike. I might point out that it's now the longest strike in UFCW 401's history. They are in the public gallery, and I would ask that they rise and receive the traditional warm welcome of the Assembly.

head:

Members' Statements

The Speaker: The hon. Deputy Speaker.

Canadian University Women's Curling Champions

Mr. Marz: Thank you, Mr. Speaker. I have yet another Canadian curling success story. I stand today to acknowledge the Canadian

women's gold medal winning university curling team. The team consists of four University of Calgary students: Brittany Gregor, the skip; Katrine Fiset; Heather Hansen; and of course Hayley Pattison from the village of Carbon in my constituency. The team qualified to represent Canada by winning the Canadian university nationals in Winnipeg. They then went on to compete very strongly at the 2007 World University Games in Torino, Italy.

These young women demonstrated great poise and confidence coming back from an early deficit in the gold medal match to defeat Russia. The dramatic conclusion saw Brittany Gregor make her last shot in the 10th end to lead Team Canada to victory.

They felt privileged to go abroad and challenge their abilities in an international field. They faced the most elite curlers for their age group, and through determination and great work ethic they accomplished their goal. They represented our country and their university with passion and respect. As ambassadors for their sport they displayed the qualities and characteristics of champions.

I'm sure these young women will have a prominent future in the sport of curling, and I want to take this opportunity to wish them continued success with all their athletic and academic endeavours. Once again, congratulations on their win.

Thank you.

The Speaker: The hon. Member for Calgary-Fort.

Melvin Crump

Mr. Cao: Well, thank you, Mr. Speaker. Last week I had the privilege, along with a number of my colleagues, to attend the Calgary Glenbow Museum's new permanent exhibition, *Mavericks: The Incurable History of Alberta*. This new gallery tells the story of Alberta through the lives of 48 mavericks whose stories embody the Alberta pioneering spirit, hard work, passion, and can-do attitude. Some of these historical mavericks are still with us, including former Premier Peter Lougheed and Mr. Melvin Crump. We all know of Peter Lougheed, so today I want to speak about Melvin Crump, a friend and a constituent.

In 1910, 160 African-Americans from Oklahoma came to settle in a small community about 100 miles north of Edmonton later known as Amber Valley. Out of this group came a very special individual named Melvin Crump. Melvin's childhood was not an easy one. Melvin's mother died when he was 10, then right after that his older sister died. At a young age his father and older brother left home. He was raised by his grandmother. He had to quit school after grade 8 and find a paying job, from shining shoes to killing chickens and labouring farm work.

Where Melvin really shone was his strong passion for self-learning, for human rights, and equality. He worked as a sleeping car porter on CP Rail, travelling across the country. He stood up for the rights of the black porters, who worked long hours and were paid the lowest wages. He challenged bigotry and the prejudice of those who practise intolerance. It comes as no surprise that he later became the president of the Alberta association for the advancement of coloured people. Throughout his life Melvin Crump sought respect. He received it both for himself and others.

Melvin Crump is now 91 years old and still full of life and energy. About the only aspect in Melvin's life that has slowed down is due to doctor's orders.

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

Farm Debt

Mr. MacDonald: Thank you, Mr. Speaker. Alberta's total farm

debt outstanding in 2005 was \$10.7 billion. Alberta certainly is not debt free. The total farm debt in Canada in 2005 was a staggering \$50 billion. Alberta farmers owe 21 per cent of that debt. Interest payments alone on this debt totalled \$491 million in 2005. Alberta farmers owe this money to three major lenders: provincial government agencies, federal government agencies, and our chartered banks. Let's have a look at what has happened to Alberta farmers' borrowing trends in the last 10 years.

1:20

In 1996 provincial government agencies held 26 per cent of the debt. In 2005 they held 21 per cent of the debt. In 1996 federal government agencies held 8 per cent of the debt. In 2005 their loans increased to close to 18 per cent. In 1996 chartered banks held 47 per cent of the debt. In 2005 this had dropped to 41 per cent.

Farm income is certainly related to Alberta farm input costs. Fertilizer, seed, fuel, electricity, and equipment costs always seem to be increasing.

I hope interest rates for this \$10.7 billion debt continue to be manageable. I urge this government to ensure that the cost of credit does not force more farmers into unnecessary bankruptcy. I know that farmers follow commodity price reports daily. They also follow the rise and fall of interest rates for very good reason.

Thank you.

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

Excellence in Teaching Awards

Mrs. Ady: Thank you, Mr. Speaker. Today it is my sincere pleasure to recognize a very important group of people whose work has a personal and lasting impact on Alberta's citizens. Of course, I'm referring to Alberta's fine teachers. Through their passion, commitment, and encouragement teachers motivate our youth to achieve their individual dreams.

I think of my second son, who couldn't read; in fact, couldn't read through a repeat grade 1 year. Because of the good work of teachers by the end of grade 6 he had read almost every book in the library and is today getting ready to apply to law school. Mr. Speaker, they make a difference.

These significant contributions do not go unnoticed. Each year Alberta's excellence in teaching awards program celebrates the teaching profession by honouring outstanding teachers and principals from across our province. The excellence in teaching award offers a wonderful way to say thank you. In fact, simply being nominated is a tremendous compliment and an honour.

Mr. Speaker, the 2007 finalists were announced today, and I am very proud to say that 22 of the 130 are from Calgary. Soon this year's recipients will be honoured at a special awards ceremony. Since its inception in 1989 over 400 teachers have received an excellence in teaching award and over 7,900 have been nominated.

This program is possible with the support of many individuals who nominate teachers and organizations and who collaborate every year with Alberta Education. The supporters are the Alberta Home and School Councils' Association, the Alberta School Boards Association, the Alberta Teachers' Association, the *Edmonton Journal*, the SMARTer Kids Foundation, and Xerox.

Mr. Speaker, on behalf of this government and all Albertans and my son I want to say congratulations to all those teachers who have been recognized through this year's excellence in teaching awards program, and once again say to all our teachers: thank you.

The Speaker: The hon. Member for Calgary-Varsity.

Pine Beetle Control in Kananaskis Country

Mr. Chase: Thank you very much, Mr. Speaker. Friday the 13th for the forest: killing the Kananaskis. On Friday, April 13, the Calgary Liberal caucus will be hosting a rally at the McDougall Centre at noon to draw attention to clear-cutting concerns in the unprotected Kananaskis watershed, that supplies over a million Calgarians with their drinking water. Using the threat of a pine beetle attack as a justification for razing or clear-cutting the forest, the ministry of unsustainable practices with negligible public consultation has dramatically worsened its original flawed forest management agreement by ignoring tree size, age, susceptibility, and biodiversity.

When the cure is far worse than the disease, ignores scientific evidence, and does not take into account the multivalued of a tree standing in comparison to its bulldozed, bargain basement, glutted softwood market worthlessness, then this government has lost the confidence of its electors.

The term “sustainable resources” has become an oxymoron given this government’s mismanagement of our natural capital. The term “multi-use” is in reality a code word, a licence for multi-abuse.

Pine beetles are not locusts that eat every piece of vegetation in sight. Pine beetles are selective of their hosts, preferring wider diameter trees preferably over 80 years of age, which are not typically found in abundance in either the Bragg Creek, Sibbald Flats, or Ghost-Waiparous areas, where the government has relinquished its stewardship to Spray Lakes logging.

Through selective logging and controlled burns pine beetles can be managed without sacrificing our forests, water quantity and quality. A Liberal government will balance both economic and environmental stewardship, leaving a legacy for future generations to value and share.

The Speaker: Government House Leader, I was advised that a government member had switched places for Members’ Statements from today to tomorrow. Is there another government member to participate today?

head: Presenting Petitions

Mr. Graydon: I’m pleased to present the required number of copies of documents containing 1,602 signatures of residents of Beaverlodge and surrounding areas, including Hythe, Elsworth, Valhalla Centre, Rio Grande, La Glace, and Demmitt, pointing out that the Beaverlodge hospital is the oldest hospital in Alberta, and it’s time for Beaverlodge to have a new hospital.

Thank you.

The Speaker: The hon. Member for Edmonton-Decore.

Mr. Bonko: Thank you, Mr. Speaker. I have 1,005 signatures: We, the undersigned residents of Alberta, petition the Legislative Assembly to urge the Government to add the drug Elaprase to the Drug Benefit List approved by Alberta Health and Wellness in order to ensure that those suffering from Hunter’s Syndrome, including Jordan Miranda, Riley Miranda and Tyler Chauhan, get the care they need to reduce their suffering and live full lives.

head: Notices of Motions

The Speaker: The hon. Deputy Government House Leader.

Mr. Renner: Thank you, Mr. Speaker. Pursuant to Standing Orders the government wishes to give notice of the following with respect to written questions and motions for return. On April 16 the government intends to deal with written questions 1, 2, 3, 4, 5, 6, 7,

and 8. We also wish to give notice that it is the intention to accept questions 1, 4, 5, 6, 7, and 8. We’ll be presenting an amendment to Question 2, and we’ll deal with Question 3 in the usual manner. The balance of the written questions will be moved to stand and retain their places.

With respect to motions for return the government intends to deal with motions for return 1, 2, and 3. We’ll be advising that we will be accepting Motion for a Return 3. The balance will stand and retain their places.

head: Introduction of Bills

The Speaker: The hon. Minister of Municipal Affairs and Housing.

Bill 26

Municipal Government Amendment Act, 2007

Mr. Danyluk: Thank you very much, Mr. Speaker. I rise today to request leave to introduce Bill 26, the Municipal Government Amendment Act, 2007.

The bill introduces amendments to sections 322 and 534 of the act.

[Motion carried; Bill 26 read a first time]

head: Tabling Returns and Reports

The Speaker: The hon. Minister of Agriculture and Food.

Mr. Groeneveld: Thank you, Mr. Speaker. I’m pleased to file with the Assembly five copies of my letter to the hon. Member for Edmonton-Gold Bar in response to questions raised during debate of Bill 20, the Appropriation (Supplementary Supply) Act, 2007, on March 20, 2007.

Thank you, Mr. Speaker.

Mr. Mason: Mr. Speaker, I’m tabling more copies of letters received by my office urging the government to provide funding for the cancer-fighting drug Avastin. In doing so, I’d like to reiterate that people who require this treatment can expect to pay \$1,750 every two weeks and that the drug is already covered by the cancer boards in B.C., Quebec, and Newfoundland. Today’s letters were received from Dennis Koshman, Joanne Nelson, Korean Bennett, Lillian Procter, Barb Falk, Maggie Bullen, Brian Massey, Victor Cerhit, Allison Diebert, and Laura Lewis.

Thank you.

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

Mr. Elsalhy: Thank you, Mr. Speaker. It is my pleasure to rise today to table the appropriate number of copies of the Beth Israel congregation 100th anniversary gala program book. This wonderful book commemorates the congregation’s centennial. The celebration took place on January 28, 2007, at the Beth Israel synagogue in my constituency of Edmonton-McClung. I attended along with the Premier and the Leader of the Opposition, the Minister of Finance, and the MLA for Edmonton-Glenora. It was a wonderful event. All the best to the congregation.

Thank you, Mr. Speaker.

head: 1:30 Oral Question Period

The Speaker: Before I call on the hon. Leader of the Official Opposition, I have been notified that there will be a point of order at the conclusion of the Routine by the hon. Member for Edmonton-

Beverly-Clareview, and I think I should alert the hon. Government House Leader with respect to this matter.

First Official Opposition question for today. The Leader of the Official Opposition.

Community Initiatives Program

Dr. Taft: Thank you, Mr. Speaker. Yesterday the Minister for Tourism, Parks, Recreation and Culture was asked why his department is breaking its own rules for the community initiatives program by allowing nonmatching grants over \$10,000, but instead of answering our question, the minister dodged it and simply repeated the rules, the very rules that appear to have been broken so often. So my question to the Minister of Tourism, Parks, Recreation and Culture: why is the minister refusing to admit that the granting rules for the community initiatives program were broken 43 times in three years, totalling over \$2 million?

The Speaker: The hon. minister.

Mr. Goudreau: Well, thank you very much, Mr. Speaker. I'm very, very proud to have the first question of question period. I guess suffice it to say, Mr. Speaker, you know, that all of our applicants are reviewed, and certainly our staff go through all the applications to make sure that the group qualifies for funding. Part of the discussions that they have with the applicants is whether or not the particular amount will meet their particular needs, and those applications are adjusted then up and down. It's based on the discussions . . .

The Speaker: The hon. leader.

Dr. Taft: Well, thank you, Mr. Speaker. The rules are actually written in black and white, although perhaps for this government they're in grey. The culture of entitlement around this government is more obvious every day. The people of Alberta want everyone to play by the rules, especially their own government. To the same minister: what safeguards are in place to prevent political interference in the granting process?

Mr. Goudreau: Well, Mr. Speaker, certainly our workers, our staff members are the ones that actually work with the various groups. They will make the recommendations to the minister, and they will indicate where there's a need for a certain amount of compassion to allow a particular project to move forward. For the most part, you know, those recommendations are made to the minister, and the minister will agree or deny it on the basis of what comes across his desk.

The Speaker: The hon. leader.

Dr. Taft: Well, thank you. This question is to the Premier. There is an opportunity for the Premier to show real leadership here. The rules are in black and white. They appear to have been broken. So to the Premier: will the Premier invite a forensic audit of the CIP program by the Auditor General?

Mr. Stelmach: Mr. Speaker, I have great faith in our Auditor General. He's done a good job over the years, and if he sees fit to undertake whatever kind of audit he wishes, we're open. We've always followed his recommendations in all the years that I've served in this government. We've always been open and transparent, and we'll continue to do so.

The Speaker: Second Official Opposition main question. The hon. Leader of the Official Opposition.

Dr. Taft: Thank you, Mr. Speaker. When a university sorority received an \$18,000 CIP grant for posh furniture, the government broke CIP application rule 7. Albertans learned today that this grant was awarded to an organization led by the daughter of a well-connected Tory. To the Minister of Tourism, Recreation, Parks and Culture: given that we only have details of this one grant and it looks highly political, can the minister assure this House that there was no political interference in any of the other grants that violated the rules?

Mr. Goudreau: Mr. Speaker, certainly, I did some digging around on this particular one, and I can table that later if you choose. Alpha Gamma Delta is a registered nonprofit organization. It was eligible and met all the criteria for a grant through the community initiatives program. We need to indicate as well that this organization actually does a lot of fundraising for local communities, and to date it's raised and donated money to organizations off the U of A campus. They donate money to Edmonton's Food Bank, juvenile diabetes, and women's shelters, and it was for that reason that we supported them.

The Speaker: The hon. leader.

Dr. Taft: Well, thank you, Mr. Speaker. They asked for \$10,000 and got \$18,000. The volunteers of this province work hard. They're dedicated and honourable, and they expect to play by the rules. They are offended when the rules are broken. To the same minister: under what circumstances does an organization qualify for having rule 7 broken?

Mr. Goudreau: Mr. Speaker, I want to share an example that we went through. This is a letter – and again, I'm prepared to table this one – written by the Member for Edmonton-Meadowlark, and the letter says: "They informed me that they are facing a 'grave financial situation' and without short-term emergency funding the society is at risk of having to close its doors." We responded to that particular one, and we did break our rules, if that's what it was, but it allowed this particular organization to stay alive.

The Speaker: And we'll table at the appropriate time, right?

Dr. Taft: So to the Premier: will the Premier live up to his words about transparency and openness and the secrecy around these deals and table the details of the 43 grants that were given in violation of the rules?

Mr. Stelmach: Mr. Speaker, this is another time, you know, that the Leader of the Official Opposition is making allegations. Remember, this House has certain privileges. To all those students sitting here, this House gives every elected member certain privileges, and they are not to bring about innuendo about any particular member in this House. Two weeks ago he said he had some sort of a secret agreement between the government and the horse-racing industry. He made that statement in the House. Today he's still not able to present it. So either stand up and say that you're totally wrong or deliver on that promise that you made to this House.

The Speaker: Third Official Opposition main question. The hon. Member for Calgary-Currie.

Affordable Housing

Mr. Taylor: Thank you, Mr. Speaker. [some applause] Settle down. Settle down.

One of the most important issues facing this government is the issue of affordable housing. It affects so many Albertans who are demanding action from a government that has ignored the situation for years. And what a surprise, the government being unprepared for such a serious issue. Now, while hundreds of Calgarians shiver in the street with the closing down of a temporary emergency shelter, the Minister of Municipal Affairs and Housing is blathering about a report that is weeks, if not months, away from seeing the light of day. Will the minister stop prattling on about partnerships and the like and admit that when it comes to providing affordable housing, the buck stops on his desk? If I was the minister, it would certainly stop on mine.

The Speaker: The hon. minister.

Mr. Danyluk: Thank you very much, Mr. Speaker. I want to say that the government and the municipalities very much have a partnership in dealing with affordable housing and the homeless. As the hon. member across the way suggested, I want to explain that we do have a partnership in regard to emergency shelters. The province provides \$23 million, of which \$14 million goes to Calgary. The government also supplies money for the homeless, of which one-third goes to Calgary. As well, we have a program that is being brought forward between seven municipalities . . .

The Speaker: Thank you.
The hon. member.

Mr. Taylor: Thank you, Mr. Speaker. You know, the province has got to take leadership in solving the affordable housing crisis. The cities know it; social agencies know it; builders know it; constitutional experts know it; I know it; my colleagues know it; even the third party knows it. It seems everybody knows it except the Minister of Municipal Affairs and Housing. The time for solutions is now, not a few weeks from now. Will the minister immediately release the report of the Affordable Housing Task Force so that we can get on with the job?

Mr. Danyluk: Mr. Speaker, I think that for the dignity of all of the members that were on the task force that presented that task force report to the government on March 19, the government is looking at the recommendations, looking at what we can do, and making sure that the job is done right.

The Speaker: The hon. member.

Mr. Taylor: Thank you, Mr. Speaker. The Premier is now the captain of this ship, and as he has said, he is in charge. It is time for him to show that he is up to the challenge of making a decision. We need goals, we need targets, and we need timelines because everybody needs a home. When is the Premier going to order his minister to put down the shovel and release the report of the Affordable Housing Task Force?

1:40

Mr. Stelmach: Mr. Speaker, managing growth pressures is one of our top priorities of this government. Part of growth pressures, of course, is available housing, housing in different forms for the homeless, for the low-income earners, and those with young families that want to purchase their own home. We had a very good

discussion, dialogue, with Albertans, an all-party committee. The report has now been delivered to the minister. He is bringing recommendations to our government caucus. Once those decisions are made, again, we in this House will deliver to all Albertans on those recommendations to ensure that we deal with this critical situation of housing.

The Speaker: The hon. leader of the third party, followed by the hon. Member for Edmonton-Manning.

Donations to Leadership Campaigns

Mr. Mason: Thanks very much, Mr. Speaker. Donations to leadership campaigns for registered political parties are not under Alberta's archaic election finance laws. A number of members of this government, including the Premier, have received substantial donations from donors who are shrouded in secrecy. As a result, Albertans are unable to judge whether or not the decisions of this government are fair and free from favouritism. My questions are to the Premier. Will the Premier take steps to live up to his promise of openness and transparency and introduce legislation requiring disclosure of all campaign donations for leadership campaigns, including his own?

Mr. Stelmach: That is a good question. I said in this House that this is a topic of discussion with our party, the Progressive Conservative Party, in a policy conference, whatever the party agrees to do because this is joint party and government. But the one thing I want to say, though, which the opposition fails to mention and to recognize, is that finally in the province of Alberta we will have a lobbyist registry so that everybody will know who is lobbying government and – who knows? – they may even know who's lobbying the opposition as well.

The Speaker: The hon. leader.

Mr. Mason: Thank you very much, Mr. Speaker. Some members of this Premier's government have still not kept their promises to reveal financial totals and donors for their leadership campaigns. All of this has Albertans wondering who has the government's ear.

Speaker's Ruling Oral Question Period Rules

The Speaker: Hon. member, please sit down for a second. We're on the edge here. Is it a government legal requirement in Alberta to do so? The member is insisting then – he's talking about individuals. It's akin to saying the question to an MLA. You can't do it in the House, so phrase it in such a way that we deal with policy, please.

Donations to Leadership Campaigns (continued)

Mr. Mason: Thank you very much, Mr. Speaker. Will the government introduce a policy and bring in legislation, and will the Premier as a matter of policy direct his ministers to reveal how much they raised in their leadership bids and where it came from?

Mr. Stelmach: Mr. Speaker, I hope there won't be a leadership contest at least on this side of the House for a few years. In all fairness I hope there isn't one on that side with the third party as well. We'd like to keep him where he is. As I said in all honesty, this will be a topic of discussion at an annual policy conference, and we'll be bringing that forward.

The Speaker: The hon. leader.

Mr. Mason: Thank you very much, Mr. Speaker. I noticed that only the front bench applauded that remark. There are many in the back that may have a different idea.

Mr. Speaker, the Premier talks about transparency, but Albertans can see right through him. Will the Premier remove the cloud that hangs over this government as a result of secret and unrevealed campaign donations from the recent leadership campaign and introduce a policy and introduce legislation requiring real transparency in the government?

Mr. Stelmach: Mr. Speaker, as I said before, we are going to work in this area, but I know what their issue is. There are a number of very good Liberals and good NDs that contributed to a lot of campaigns here, leadership campaigns, and they sure want to find out who the heck those people are.

The Speaker: The hon. Member for Edmonton-Manning, followed by the hon. Member for Calgary-Hays.

Trade Route to Prince Rupert

Mr. Backs: Thank you, Mr. Speaker. The port of Prince Rupert is fast becoming the port of Alberta. The lower elevation of our Yellowhead pass to Rupert means lower carbon emissions, less fuel use, and lower costs. World maritime container traffic will almost triple by 2024, and this is the best route for the booming China trade. This port and connecting facilities must grow for our Alberta economy to continue to thrive. My question is to the Premier. What will the province do to make grow the vital port of Prince Rupert and the expansion of its container-handling facilities?

Mr. Stelmach: Actually, Mr. Speaker, I've got to commend the member for quite a visionary question in terms of where this province is going in the future. We know that to sustain this economy, we do have to increase trade, and we have to be globally competitive. The other most important issue here, of course, is that with respect to Prince Rupert it cuts a return trip by three and a half days. As well, it provides the city of Edmonton an opportunity to be a centre where we would not only collect containers, but we can also stuff them for export.

The Speaker: The hon. member.

Mr. Backs: Thank you, Mr. Speaker. I'm surprised that the Official Opposition laughs because there was none of them at the conference on Prince Rupert last week.

A second question to the Premier, Mr. Speaker: what measures will this government take to ensure that railway lines are sufficient, routes are straight and safe, and that rail roadbeds are upgraded to ensure the greatest success of our Alberta Yellowhead route?

Mr. Stelmach: Mr. Speaker, in fact, the question that the member raised was the topic of discussion in a joint cabinet meeting with the province of B.C. and the province of Alberta on how both governments can work towards securing, you know, a dedicated rail. Some dollars, of course, will go into upgrading the facility. But for agriculture and for manufacturing this has great potential in reducing our costs and getting our product back to global markets. Most importantly, product coming to Alberta, to Canada go back empty to China. We have an opportunity now to stuff them and send them back to China and actually develop the economy.

The Speaker: The hon. member.

Mr. Backs: Thank you. A supplementary to the Minister of Employment, Immigration and Industry, Mr. Speaker: what will the minister and her ministry be doing to make sure that Alberta business and industry maximize backhaul potential to the port of Prince Rupert for Alberta products?

Ms Evans: Mr. Speaker, the Premier has instructed us as ministers to manage growth pressures as an initiative. Recently we hosted with Edmonton Economic Development, the mayors of Edmonton, Prince Rupert, and Prince George, as well as CN a meeting where we talked about how we could work more effectively together. We're participating in a study as well with Transport Canada, with Saskatchewan, and with Manitoba to look at how we can co-ordinate backhaul efforts. We recognize that this port shortens the travel time to Asia by at least one and a half days out of Vancouver and three days out of Los Angeles. So it is an excellent opportunity for development.

The Speaker: The hon. Member for Calgary-Hays, followed by the hon. Member for Calgary-Mountain View.

Solicitor General Staff College

Mr. Johnston: Thank you, Mr. Speaker. Early this morning there was an alarming incident at the Solicitor General staff college in Edmonton when as many as 18 people fell violently ill to the point where paramedics were called in to attend the sick. The college remains shut down, and no one is allowed to enter or leave. My first question is to the Solicitor General and Minister of Public Security. Can he provide an update on this very serious situation at the college?

The Speaker: The hon. minister.

Mr. Lindsay: Thank you, Mr. Speaker. I want to assure the hon. Member for Calgary-Hays that this is the first time that we've had an incident of this type at any of our facilities. We are working closely with Capital health to determine what caused these 18 people to become suddenly ill. I'm pleased to say that all individuals are recovering, and the staff college will not resume training until we are assured of a safe environment for all of our staff and recruits.

The Speaker: The hon. member.

Mr. Johnston: Thank you, Mr. Speaker. To the same minister: what is being done to ensure that this type of incident does not happen again?

Mr. Lindsay: Mr. Speaker, Capital health is at the college right now. They are investigating to determine the exact nature of this illness and its cause, and based on their findings, we will take whatever action Capital health recommends to ensure that an incidence like this does not reoccur.

The Speaker: The hon. member?

The hon. Member for Calgary-Mountain View, followed by the hon. Member for Bonnyville-Cold Lake.

1:50 Racing Entertainment Centre Project

Dr. Swann: Thank you, Mr. Speaker. The Balzac situation has always been a political problem between the city of Calgary and the MD of Rocky View. The government ignored this when someone in the government made assurances, no matter what denials we've

heard. Now Drumheller very clearly has said that they will not provide water to this project. They're standing up for their people, and good for them. This government now has no choice but to try and force a deal between Calgary and the Rocky View MD. To the Premier: does the Premier take any responsibility for this fiasco?

Mr. Stelmach: Mr. Speaker, again, a very craftily worded question: someone in the government gave a promise, but, you know, there's denial, and we don't know who, but somebody in the government. You have the evidence. Stand up in front of all these people, and tell me who the person in government is who gave this commitment. Get up. Now's your opportunity.

The Speaker: The hon. member.

Dr. Swann: Thank you, Mr. Speaker. This government has hung their hat on the premise of allowing municipalities to make their own planning decisions without a regional process. In fact, the former municipal affairs minister stated in the House last August that every municipality "has the ability to make their own decisions" without any regional oversight. Well the Balzac situation is an example of just how flawed a process this is. To the municipal affairs minister: is this type of land-use planning serving Alberta's best interests?

Mr. Danyluk: Mr. Speaker, I'm very proud to say that the minister's council has been working very diligently for a number of years looking at the best direction for municipalities in Alberta and, more recently, in the last year presented a report to myself. One of the primary subjects in that report is planning, and that's regional planning for municipalities between themselves, and I commend them.

The Speaker: The hon. member.

Dr. Swann: Thank you, Mr. Speaker. The town of Drumheller has voted unanimously to reject the proposal to supply water to Balzac. They quite rightly pointed out that any positive economic benefit to the community does not justify the potential risk. To quote the former minister of municipal affairs in this House, August 31 *Hansard*, "The people of Drumheller know very well what's going on." Well, obviously they did not know that this government was selling their water behind their backs, and they have stood up and said no. To the Minister of Environment: how does the minister justify this statement in the House?

Mr. Renner: Mr. Speaker, it's very clear that the statement that was made at that point in time was as valid then as it is today. The people of Drumheller have made a decision with respect to their participation in this project. No licence has been issued. I understand that the MD, the applicant, has asked that any decision be delayed so that they can explore other options. As it stands, that is the status of this particular licence application at this point in time.

The Speaker: The hon. Member for Bonnyville-Cold Lake, followed by the hon. Member for Edmonton-Gold Bar.

Resource Development in Marie Lake Area

Mr. Ducharme: Thank you, Mr. Speaker. Many Albertans are very concerned about the proposed seismic testing in oil sands development at Marie Lake, one of Alberta's few remaining pristine lakes. OSUM corporation has acquired the mineral rights beneath the surface of Marie Lake. Government rules require seismic testing

before a development application can be filed. At a public meeting last night OSUM stated that they have evidence that oil sands exist beneath Marie Lake and that seismic is not necessary. To the Minister of Energy. Albertans are fearful of possible environmental damage and aquatic life loss due to seismic. Will you waive the seismic testing requirement and allow OSUM to provide their evidence, therefore not putting Marie Lake at risk?

The Speaker: The hon. minister.

Mr. Knight: Well, thank you, Mr. Speaker. First of all, I must say that under this government and under the leadership of our current Premier we have a plan to build a stronger Alberta. Let me make it very clear that absolutely no – no – resource development takes place in the province of Alberta without a very comprehensive approval process.

With respect to seismic it's critical that adequate resource information is available in order for the proponents and the government regulators to come to the proper conclusion with respect to a permit. It's necessary, Mr. Speaker, to pinpoint the location of the resource. We cannot eliminate this important tool.

The Speaker: The hon. member.

Mr. Ducharme: Thank you, Mr. Speaker. To the same minister: land sales for the right to explore our natural resources occur every two weeks and are conducted under the supervision of the Department of Energy. Mr. Minister, does present government policy allow all lands with the exception of parks and protected areas to be sold to the highest bidder without any consideration to quality of life and environmental sensitivities?

The Speaker: The hon. minister.

Mr. Knight: Well, thank you. Mr. Speaker, again, this government has a plan to improve Albertans' quality of life, and we continue with that plan. Quality of life and environmental sensitivity are top priorities when any development is considered, regardless of whether it's energy, infrastructure, forestry, the fibre business, agriculture, or manufacturing. The sale of mineral rights is only part of this process, and a number of very stringent checks and balances are in place to ensure that any development that occurs is done in a responsible manner.

Mr. Ducharme: Our new Premier has included improving quality of life for all Albertans as one of the main pillars under his leadership. Quality of life for Albertans is more than financial wealth. It includes amongst other things quality education, safe communities, good recreational opportunities, and a clean environment. By allowing seismic and industrial oil and gas operations on pristine lakes such as Marie Lake, this government allows our quality of life to erode. To the Premier: will you instruct your cabinet to stop industrial development surrounding Marie Lake until the impacts on recreational properties have been addressed to the satisfaction of the residents, who will live with the consequence of this seismic activity?

Mr. Stelmach: Mr. Speaker, I want to thank the Member for Bonnyville-Cold Lake for the work that he's doing with this file. He has attended all of the public meetings and has been keeping me up to date on how this matter proceeds.

I want to tell everyone that prior to any development it is very critical that we must maintain not only the quality of life for the

residents in that area but also absolutely protect our environment. I'm going to make sure that everyone is satisfied that there is scientific evidence and a process that is followed that does satisfy the protection of the environment and the people living around that lake. I'll work with the Minister of Sustainable Resource Development to ensure that this happens.

The Speaker: The hon. Member for Edmonton-Gold Bar, followed by the hon. Member for Calgary-Nose Hill.

E-mail from a Government Computer

Mr. MacDonald: Thank you, Mr. Speaker. The Premier is failing to keep his promise of running an open and transparent government. This was proven again when the Minister of Agriculture and Food would only commit to an internal investigation into the vicious, hate-promoting e-mail that an employee sent from a government computer. Now the internal investigation is over, and the Premier and the minister refuse to give the public any details. To the Minister of Tourism, Parks, Recreation and Culture: given that section 3 of the Human Rights, Citizenship and Multiculturalism Act, which deals with discriminating publications such as this e-mail, applies in this case, did the minister or the department take part in this internal investigation?

Mr. Goudreau: Mr. Speaker, I am not aware at all whether we did or did not. I certainly would have to do some research, and I could get back to the hon. member at that particular time.

The Speaker: The hon. member.

Mr. MacDonald: Thank you. That doesn't surprise me, Mr. Speaker.

To the Minister of Agriculture and Food: the Agriculture and Food employee appears to have violated Alberta's human rights laws. Is it not the minister's position that such violations are worthy of dismissal? Why was this person not fired?

Mr. Stelmach: Openness and transparency means that this government is not violating anyone's rights, especially the employer/employee relationship. Certainly that member, of anybody in this House, should know the rules.

Mr. MacDonald: Again, Mr. Speaker, this time to the Premier. Certainly, the Premier should know the Human Rights, Citizenship and Multiculturalism Act if anyone in this House should know it, and the code of conduct in section 3 was violated. Again to the Premier: why was this person not fired?

2:00

Mr. Stelmach: It actually saddens me, the fact that the individual will talk about openness and transparency. Here, when we're protecting the rights of an individual – and there is a Public Service Act, and there's a code of ethics involved. This member is not aware of either one of those and is trying to trample the rights of an individual. That, really, I find quite offensive.

Postsecondary Education Funding in Calgary

Dr. Brown: Mr. Speaker, on March 22 the hon. Minister of Health and Wellness justified the disparity in per capita funding for health care between the two metropolitan regions by answering that Calgary region has a relatively young and well-educated population and stated that "health status tracks education." My first question is for the Minister of Advanced Education and Technology. Given the

positive correlation between parental education and postsecondary participation rates and the positive correlation between the ratio of young people in the population and postsecondary participation, and given that Calgary is a larger city and has had greater increases in population than Edmonton over the past 10 years, how can the minister justify that there are 11,000 fewer spaces for postsecondary education in metro Calgary than in Edmonton?

Mr. Horner: Thank you, Mr. Speaker. Our government is truly committed to making postsecondary education more accessible – and that means increasing capacity where it is needed – and to building a stronger Alberta overall. We're working with all of our postsecondary institutions on building that capacity, but comparing the enrolment spaces between Edmonton and Calgary is not as simple as just counting spaces. Edmonton institutions tend to serve a broader geographic region that includes all of northern Alberta whereas Calgary institutions tend to serve learners from south central Alberta as well as areas south of Calgary. Students in those areas also have the benefit of the University of Lethbridge for postsecondary university level spaces. So when you take the total south Alberta enrolment spaces and the total north Alberta enrolment spaces, actually they're about equal.

Dr. Brown: Is the minister suggesting that students in Calgary ought to travel to get their education whereas those in Edmonton can stay at home?

Mr. Horner: Mr. Speaker, quite the contrary, and the hon. member knows this very well. There are a number of institutions within the city region of Calgary that are serving a number of the students there. We've made a number of investments in the postsecondaries – Bow Valley College, Mount Royal College as well as the University of Calgary – and have actually increased the spaces there considerably, up to 7,000 spaces within the city region as well.

Students make the decisions as to where they're going to go, and sometimes students choose to go to another geographic location for a number of reasons, some of which might even be to get away from home.

Dr. Brown: For the same minister. The University of Calgary's operating grant for full-load equivalent is \$10,105, and the University of Alberta's is \$11,374, a difference of 12.6 per cent. How can the minister justify this significant disparity, which means that the U of C is shortchanged about \$30 million per year in operating grants?

Mr. Horner: Well, Mr. Speaker, I don't justify it; the economics do. Certain course loads cost more money to deliver, and the universities would be the first to admit that. In fact, they tell me that all the time. The course loads of medicine or in some cases agriculture, veterinary schools cost more dollars per student to deliver. We fund based on that cost. So to simply say that it should be the same even though you're delivering different course loads is not playing, really, with the truth quite properly. I think the review on equity across the province that we completed in 2005 indeed did bring equity into the system in Calgary, and the University of Calgary actually received an additional well over \$2 million to their base operating grant. We continue to monitor the situation, and we'll continue to work with the postsecondaries to ensure that we have a fair and equitable system.

The Speaker: The hon. Member for Edmonton-Strathcona, followed by the hon. Member for Edmonton-Centre.

Tuition Fees for Postsecondary Education

Dr. Pannu: Thank you, Mr. Speaker. This morning I stood with a large group of postsecondary student leaders on the front steps of this Legislature and listened to their concerns about tuition fees. This government has pushed tuition fees up by 275 per cent in just over a decade, the highest increase in the country. These student leaders have brought the Minister of Advanced Education and Technology a message, a message written on over 1,000 postcards. The students have a simple question for the ministry, which I'm happy to relay. This government claims that Alberta is debt free and is swimming in unprecedented surpluses. So why are the students forced to drown in debt?

The Speaker: The hon. minister.

Mr. Horner: Thank you, Mr. Speaker. In consultation with those very students, this government came up with the affordability framework as it relates to tuition and came up with a new tuition fee policy. Indeed, we've rolled back tuition fees to the 2004 levels. This is going to save students in one year – in one year – over \$700 on a four-year program, perhaps even over \$3,800 for their course load.

I have, actually, one of the cards the hon. member mentions because we are responding to them. We just received them. It says, "I call on you and your government to immediately reduce tuition to a level that is affordable compared to other Canadian jurisdictions leading the way on affordability." We are the fourth lowest in the country.

The Speaker: The hon. member.

Dr. Pannu: Thank you, Mr. Speaker. Again today student leaders came to the steps of the Legislature for the umpteenth time to draw attention to the Alberta disadvantage that postsecondary students have been experiencing year after year. Student poverty is their daily experience, debt loads are growing, and their tuition fees remain one of the highest in Canada. Why has this government failed to take concrete action to reduce the crushing debt burden on postsecondary students, and what action is the minister proposing to take to address this serious problem?

Mr. Horner: Mr. Speaker, we do not have one of the highest tuitions in Canada, and it's a misstatement of the facts to allude to that. We, in fact, have the fourth lowest tuition policy in Canada.

We are working, as I said before, with the student groups. I've met with the presidents of their associations. We're talking about the affordability framework, which includes what it does cost to go to school in the province of Alberta, not just tuition, which is only one factor of that. Capacity is a huge issue for us because even if we lower tuition or make it free, we can't get more students in it because we don't have the spaces. We need to build spaces. We need to make it accessible. We need to manage the growth pressures that we have.

The Speaker: The hon. member.

Dr. Pannu: Thank you, Mr. Speaker. Last week I asked this minister to commit to reducing tuition levels in Alberta to make them the lowest in the country, a solemn promise made by the former Premier of this province not long ago, but I got no clear answer. The government so far has failed to live up to its promise, and students are beginning to fear their government is getting ready

to renege on it. My question is simple and direct to this minister. Will his government, will he honour this promise and reduce tuition fees for postsecondary students so that they are the lowest in the country, and when will he take action to meet this promise?

Mr. Horner: Well, Mr. Speaker, I continue to say in this House and in answer to this question that we are working to make postsecondary education as affordable as we possibly can in the country. I don't believe that when the A Learning Alberta report came forward, the students who were involved in that consultation believed that tuition was the only thing out there. Tuition is a part of the affordability piece. Their living costs are a part of that. Their books are a part of that. The cost of postsecondary is also a part of that, and if we can help work with the cost of postsecondary, driving those costs down, of course we're going to make it more affordable.

The Speaker: The hon. Member for Edmonton-Centre, followed by the hon. Member for West Yellowhead.

Tobacco Reduction

Ms Blakeman: Thank you, Mr. Speaker. Between 2001 and 2005 Alberta retailers received a 49 per cent increase in payments from tobacco companies to prominently display their products on store shelves. These power wall tobacco displays are deliberately located at eye level right above the candy and other products clearly targeted at children. Not surprisingly, teen smoking rates in Alberta are on the rise. My questions are to the Minister of Health and Wellness. Will the government follow the lead of most other provinces and the advice of the Alberta Liberals and introduce legislation to ban power walls?

The Speaker: The hon. minister.

Mr. Hancock: Thank you, Mr. Speaker. I've made it very clear that as Minister of Health and Wellness I put a very high priority on making it possible for Albertans to take their health into their own hands, and part of that strategy is, in fact, tobacco reduction. I'll be bringing forward a tobacco reduction strategy to my own caucus for approval and then hopefully forward to the House and the public in due course. But taking action on tobacco reduction is a very important part of our tobacco reduction strategy, and I was delighted to see the schoolchildren here yesterday as part of the process. I was only sorry that I had a previous commitment and couldn't have joined them on the steps.

2:10

Ms Blakeman: Thank you. We appreciate that sentiment.

Again to the same minister: aside from the cancer prevention fund this government profits from its investment in tobacco-related companies through the heritage trust fund. Is this the reason that the government is going against the wishes of 80 per cent of Albertans in refusing to implement a province-wide smoking ban?

Mr. Hancock: Mr. Speaker, absolutely not. In fact, the question of where investment strategy lies in the hands of the Ministry of Finance, and I'm sure he'll be addressing those strategies in due course.

As Minister of Health and Wellness I can say that it's very important that we identify areas where Albertans can help to improve their health. That includes stopping smoking. I will be pursuing vigorously a strategy with respect to stopping smoking, and everything will be on the table when we have that discussion.

The Speaker: The hon. member.

Ms Blakeman: Well, thank you. On the one hand, this government puts billions of dollars into the cancer fund, indicating that cancer prevention is essential. On the other hand, this government refuses to take simple steps to actually prevent cancer. Again to the minister: why would the government rather put money into treating smoking-related illnesses than legislate a province-wide smoking ban to prevent the illness in the first place?

Mr. Hancock: Well, Mr. Speaker, this government does not refuse to take steps. Just a week or so ago I was part of an announcement by the Cancer Board in conjunction with the Capital health authority and the Calgary regional health authority on colorectal cancer screening, which was a leading edge process that we're engaged in. We're very interested in identifying cancer early, in screening processes that are early, and we're working vigorously on those sorts of things. Smoking is clearly a part of it, and I intend to take action on that.

The Speaker: The hon. Member for West Yellowhead, followed by the hon. Member for Calgary-Varsity.

Softwood Lumber Trade Dispute

Mr. Strang: Thank you very much, Mr. Speaker. The United States has requested consultation with Canada to address concerns over some issues related to the implementation and interpretation of the softwood lumber agreement. My questions are to the Minister of Sustainable Resource Development. Will any measures of the Alberta government be included in these consultations?

Dr. Morton: Mr. Speaker, the U.S. concerns that led to the request for this consultation have to do with industry assistance programs developed by Ottawa and the governments in Quebec and Ontario. At the moment there are no Alberta-specific trade issues that are involved in this, and accordingly we will not be participating. Of course, we will be monitoring and paying attention to these discussions and to these talks, but the responsibility for that falls primarily to my very able colleague, the Minister of International, Intergovernmental and Aboriginal Relations.

Thank you.

The Speaker: The hon. member.

Mr. Strang: Thank you, Mr. Speaker. My first supplementary question is to the Minister of International, Intergovernmental and Aboriginal Relations. If the U.S. complaints go to an arbitration panel, what impact would the panel rules have on Alberta?

The Speaker: The hon. minister.

Mr. Boutilier: Thank you, Mr. Speaker. If it does go to an arbitration panel, the panel will be asked to rule on several important issues relating to the operation and interpretation of the agreement, but it is important to note that the softwood lumber agreement contains a mechanism to resolve these disputes, and that is the mechanism that is going to be followed. The request for consultation indicates that both parties value the agreement and are working to resolve the concerns that are being mentioned here today.

The Speaker: The hon. member.

Mr. Strang: Thank you, Mr. Speaker. My second supplementary question is to the same minister. Can he explain to the House the Americans' allegation that Canada has violated the agreement re the so-called surge mechanism?

Mr. Boutilier: Yes, it's very complex, but simply stated, Mr. Speaker: under the agreement Canada can export freely to the United States when lumber prices are high, but when lumber prices are low, such as now, Canada imposes export restrictions on lumber shipments to the United States from B.C., Alberta, Saskatchewan, Manitoba, Ontario, and Quebec. Now, provinces can choose between two types of export restrictions, and Alberta and British Columbia have chosen a pure export tax, and the other provinces have chosen this hybrid export tax and quota system, which of course is in dispute today but we're very confident will be resolved.

The Speaker: We'll call on the hon. Member for Calgary-Varsity, followed by the hon. Member for Old-Didsbury-Three Hills.

Alliance-Camrose Rail Line 43.03

Mr. Chase: Thank you, Mr. Speaker. My questions are to the Minister of Infrastructure and Transportation. The loss of local grain elevators has led to massive 30-wheel Super B trucks crumbling down highway 13. A viable sustainable alternative exists in the form of rail line 43.03, which runs in a straight line from Alliance to Camrose. However, CN is threatening to shut down this line, which will result in the further congestion and deterioration of highway 13. Will the Minister of Infrastructure and Transportation commit to collaborating with the Battle River Producer Car Group and CN to maintain service on the line?

Mr. Ouellette: Mr. Speaker, I want to make clear to everyone here that Infrastructure and Transportation wants to try to make sure that we can keep all kinds of traffic moving in Alberta, but I also have to make clear that the province of Alberta is not in the railroad business. We have private enterprise doing that business, and we will do whatever we can as far as strategies and stuff to try to help them keep business moving and keep grain moving in the province of Alberta.

The Speaker: The hon. member.

Mr. Chase: Well, thank you. I hope we do lots of good stuff, then. Mr. Speaker, in the mid-80s line 43.03 received \$16 million in federal upgrading assistance. With 132-pound rail it has the highest carrying capacity going, easily capable of handling major freight. Does the minister believe that the rails are of greater value ripped up and sold for scrap than offering a ready-made, sustainable alternative to take the strain off an already overburdened highway 13?

Mr. Ouellette: Mr. Speaker, I'm not in the scrap business either, so I'm not sure what he's talking about there. But I do believe that in any capacity to help us move freight to any ports or anything along those lines, we will work towards that goal.

The Speaker: The hon. member.

Mr. Chase: Thank you, Mr. Speaker. This government has provided land for just \$1 for a cargo terminal in the MD of Grande Prairie. Will this government show similar generosity and support the Battle River producers with regard to this rail line?

Mr. Ouellette: Mr. Speaker, I don't think there is an MD in Grande Prairie; I think there's a county up there. I'm not aware of the exact dealings at the time or the \$1 deal. If we have excess land and a municipality can use that land, there are always agreements that can be made, and we will help them out as a province.

The Speaker: The hon. Member for Olds-Didsbury-Three Hills, followed by the hon. Member for Edmonton-Glenora.

Maintenance of Secondary Highways

Mr. Marz: Thank you, Mr. Speaker. Many Albertans have expressed concerns over the condition of provincial highways and, in particular, three secondary highways that are so important to our rural communities. My first question is to the Minister of Infrastructure and Transportation. What plans are in place to catch up with this growing problem?

Mr. Ouellette: Mr. Speaker, I'm also very concerned about the amount of maintenance that we've been able to do on our highways in the past few years. Quite frankly, we haven't been able to do enough, but I can tell you that we are working, and I do have a four-year plan to try and do catch-up and address the back issues we've had. Funding for this program will be coming shortly, and I hope that my friend the hon. Finance minister will help me to be able to do that plan.

Mr. Marz: Mr. Speaker, of particular concern in my constituency are highways 791 and 766. Highway 791 had recent shoulder construction on it, but it was an incomplete job, and it's in a very dangerous driving condition. Highway 766 is very rough, and I've received many complaints about damage to vehicles. Can the minister tell what plans are in place in the upcoming construction season for these two roads?

Mr. Ouellette: Mr. Speaker, I'm aware of those two roads. In fact, they also run through my constituency. I understand that one of them has been partially repaired, but we need to do some more work there. My department is taking a very close look at and evaluating what needs to be done there, and our next step, I'm sure, will be to upgrade them. Unfortunately, I can't give the exact date, but we are aware of the situation and working on it.

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

2:20 Temporary Foreign Workers

Dr. B. Miller: Thank you, Mr. Speaker. Yesterday the Minister of Employment, Immigration and Industry stated in the House that the province will continue to work with the federal government on the temporary foreign worker program. If the provincial government is prepared to take responsibility for the benefits of this program, it should also take responsibility for the well-being of workers it brings in. This is an issue of basic human rights. To the Minister of Employment, Immigration and Industry: what protocols, if any, does the provincial government have in place to ensure that the basic safety and employment standards are being met for temporary foreign workers?

Ms Evans: Mr. Speaker, temporary foreign workers are dealt with the same as any other worker, and they are entitled to the same rights and protections. So our employment standards, our occupational health and safety standards, all standards that apply to any worker in Alberta apply equally to those foreign workers, whether they're here on a temporary basis or whether they are landed immigrants.

The Speaker: The hon. member.

Dr. B. Miller: Thank you, Mr. Speaker. One of the biggest problems with a temporary foreign worker program is that these workers come here for a year or two years, gain experience, and then go home. Permanent immigration ensures long-lasting benefits for Alberta's economy. Can the minister please tell us if this government will continue to rely on unsustainable solutions like the temporary foreign worker program, instead of sustainable ones like permanent immigration and expansion of our own apprenticeship programs?

Ms Evans: Well, Mr. Speaker, relative to the expansion of the apprenticeship programs the Minister of Advanced Education and Technology can answer that. But let me just say that the temporary foreign worker program has a wonderful capacity to fulfill those obligations that corporations commit to when they entertain contracts for large projects, where the temporary foreign worker goes in, completes the project, and then can return home. Many of the countries that are exporting, if you will, temporary foreign workers have situations where there's a lull in their economy, and they relish the opportunity for their workers to go elsewhere in the world, take on a temporary task, and then return to their homes and their families. So this has a benefit not only to those families but also to the . . .

The Speaker: The hon. member.

Dr. B. Miller: Thank you, Mr. Speaker. We've heard from many people working in the immigration field that Alberta is absolutely not prepared for the temporary foreign worker program. Workers are often socially isolated, bound by restrictive visas, and lack the language skills to seek help if they're being unfairly treated. Without strong protections in place more and more workers will come forward with experiences of deception, human rights violations, and abuse. Will the minister please take the initiative to investigate what is actually happening with the temporary foreign workers? The program should be suspended until there's a thorough investigation.

Ms Evans: Well, Mr. Speaker, first of all, this is a federal program that we are working in co-operation with the federal government on. The federal government provides monies that we also provide for integrated settlement services. While temporary foreign workers don't necessarily qualify for those funds, many of the 20 nonprofit agencies that run programs for immigrants will tell you that they have among their clients, if you will, temporary foreign workers that are receiving everything from second language programs to socialization skills.

The other thing, Mr. Speaker, that's worthy of note is that the corporations themselves are active. Although there has been one complaint that's been raised in this House, we thoroughly review any kind of indiscretion by anybody employing a worker in any capacity, either as a temporary foreign worker or as a landed immigrant.

The Speaker: Hon. members, that was 92 questions and answers for today.

head: **Tabling Returns and Reports**
(continued)

Mr. Goudreau: Mr. Speaker, as I stated earlier, I'm now tabling the appropriate number of copies of the letter pertaining to an applica-

tion which the Member for Edmonton-Meadowlark submitted on behalf of a community association that received \$75,000 of unmatched funding through the community initiatives program. No rules were broken. All of the applications have been processed in accordance with the program guidelines.

The other one is the paper that I referred to on the Alpha Gamma Delta, and it provides the background information on that particular organization.

Thank you.

The Speaker: The hon. Member for Calgary-Varsity.

Mr. Chase: Thank you, Mr. Speaker. I have four tablings today. My first tabling is from Jim Stallard, a Calgary-Varsity constituent, who is the husband of Marlene Stallard, a brave lady fighting a courageous battle against ovarian cancer. Jim passed along his thanks to me for raising Marlene's struggle in the House and asked me to acknowledge the much-appreciated efforts and support of the Minister of Finance, the Minister of Health and Wellness, and his great assistant, Wendy.

My second tabling is from Jerry Iwanus, a constituent of Battle River-Wainwright, who is very concerned about the deteriorating, hazardous conditions of highway 13, in particular the section east of Camrose at the junction of highways 13 and 56.

My third tabling is from Paola Romanelli, who attended the Bragg Creek forum last Thursday, March 29, at the community centre, at which I was a panelist. Paola writes, "Kananaskis is a great forest that residents of the area and Calgarians enjoy all seasons, it would be a great waste for us and future generations to allow this plan to go on."

My last tabling is from David Easton, who is also a Bragg Creek resident. In his letter to the Minister of Sustainable Resource Development he urges the minister to "give earnest consideration to the longer term effects and the detriment of the entire community including the residents of Calgary."

Thank you, Mr. Speaker.

The Speaker: The hon. Member for Edmonton-Manning.

Mr. Backs: Thank you, Mr. Speaker. I'm very pleased to rise to give two groups of tablings. One is from volunteers at the Unity Centre of North East Edmonton, on some personal testimonials of their need for affordable housing.

A second group is another hundred letters from good Albertans, petitioning our Alberta Legislature to support that the accused killer of Joshua Hunt be sentenced and tried as an adult "due to the nature of this crime, his past criminal history and that he is so close to the age of 18 years."

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

Mr. MacDonald: Thank you very much, Mr. Speaker. I would like to table a letter dated October 31, 2006, to the former Minister of Finance, before her retirement, and this letter is from myself as chairperson of the Alberta Public Accounts Committee. I am demanding the release of the blue books immediately, and I'm pleased to say that it was eventually done by this government.

Thank you.

Mr. Graydon: With your indulgence, Mr. Speaker, the documents that I tabled earlier with 1,602 signatures from people in the Beaverlodge area were not in a form suitable as a petition; however, they are in a form suitable to be presented at this time.

Thank you.

head:

Tablings to the Clerk

The Clerk: I wish to advise the House that the following documents were deposited with the office of the Clerk. On behalf of the hon. Mr. Horner, Minister of Advanced Education and Technology, Alberta advanced education public postsecondary institutions' audited financial statements, public colleges and technical institutes for the year ended June 30, 2005, and universities and Banff Centre for Continuing Education for the year ended March 31, 2006.

The Speaker: Might we revert briefly to Introduction of Guests prior to dealing with the point of order?

[Unanimous consent granted]

head:

Introduction of Guests

(reversion)

The Speaker: The hon. Member for Strathcona.

Mr. Louheed: Thank you, Mr. Speaker. I'm pleased today to introduce to you and through you to the members assembled a social studies class from Ardrossan high school. This class is accompanied by their teachers Mr. Paul Schwartz and Mr. T.J. Kennerd. I'd ask them to please rise and receive the traditional welcome of the Assembly.

The second introduction, Mr. Speaker, you will recall from the '94-96 era. Page Carolyn Laird, formerly from Fort Saskatchewan, is here today. These days she works in the U.S. Senate for the Republicans. She's here accompanied by Kenneth Vogel, who also works in Washington. They are in the public gallery as well. I would ask them to rise and receive the welcome of the Assembly.

The Speaker: The hon. Member for Edmonton-Beverly-Clareview on a point of order.

Point of Order

Projected Government Business

Mr. Martin: Thank you, Mr. Speaker. It's a point of order that I think is worth bringing up in the House today about the way we're conducting House business. On Thursdays we're given a general idea of what's coming in the following week. I understand that from time to time there are emergencies or we can't get a minister there and there have to be changes, but I think today, at least, shows you that there is no attempt at all to follow what we talked about.

2:30

I look at what was on government business for Wednesday, and there are four bills here for second reading. I see that what's actually coming – and we didn't know about this till this morning – are bills that are absolutely, totally different. None of them are the same, Mr. Speaker. What is even more worrisome is that for a major bill, perhaps the most major one that we're going to discuss here, Bill 3, the emissions act, which we just finished debating in second reading, we had no idea that this was coming down again. We had House leaders' meetings and other meetings.

Now, it takes some preparation for the opposition. I'm not going to speak for them, but I'm sure it would be true over here, that we want to prepare for these sorts of things. Now we see that it's tentatively on the agenda along with other bills that were not there. I don't know what will be on Thursday. There's not much point giving us the week's business ahead if it doesn't mean anything, if you're going to change it to where in the morning we find out that the bills are totally different. I think this is a totally unacceptable way to run government business.

As I said, Mr. Speaker, I know that emergencies come up, and I understand that from time to time there have to be changes, but when the whole day changes and you don't know about it till the morning, that's not the proper way to do government business as far as I'm concerned.

Mr. Renner: Well, Mr. Speaker, I'm pleased to address this point. To some extent I agree with the hon. member: it is very difficult for members in this House to plan far in advance on what the business of the House is going to be at any particular point in time. There is, by the very nature of the House, some flexibility that's required from time to time. As House leaders we make an attempt to work as much as possible with all of the party House leaders to discuss what is appropriate business to be dealt with at any particular time.

I do point out, Mr. Speaker, that with the new rules that we're operating under, the time that's available for the discussion of government business is very limited, so it's necessary that we have some certain flexibility.

With respect to Bill 3, that the member brings forward, I apologize to this hon. member because I wasn't aware that he had been advised. Bill 3 is not going to be discussed this afternoon in recognition of the very issue that the member brought forward. We recognize that there are some amendments that are going to be proposed by members, and for that reason we're not going to be dealing with Bill 3.

But I have to emphasize to the member that while there is some room for flexibility, at the end of the day it is the responsibility of the government to move through the agenda as effectively as possible, recognizing, of course, that it's up to the co-operation of all members of the House to do it as effectively. So the government gives its assurance that we will do the best that we can to accommodate the opposition, but there may be times when it simply is not expeditious to meet everyone's time constraints. All I can do, Mr. Speaker, is give the assurance of our House leader and my own assurance in my capacity acting as House leader that we will work with the opposition as best we can to alleviate these kinds of concerns.

Mr. VanderBurg: I was quite aware last week, when the projected government business was announced, that the Vital Statistics Act, Bill 8, would be brought up today. It's in *Hansard*, page 299. It says clearly: "On Wednesday, April 4, under government bills for second reading Bill 8, the Vital Statistics Act." So, you know, the member stated that none of the bills projected for today was on the Order Paper. I was aware of it, and it was read here on Thursday. It's in *Hansard*.

Mr. Martin: Well, we didn't . . .

The Speaker: We only get one shot, hon. member. You know that. Okay, hon. members. Anybody else, by the way?

Well, then, let's deal with this matter. This is more a matter of information, I think, and clarification. First of all, let's remember that there are three House leaders, whose job it is to communicate with one another. There's one on the government side, there's one on the Official Opposition side, and there's one on the third-party side. I think the third-party side House leader was the one who raised the point. Incumbent upon all of this is to do some interchange with one another. This is the harmony thing. This is the you touch me, I touch you, we love one another, and we get on with business kind of thing, okay? I'm not advocating it. I'm just reflecting, okay?

Secondly, we have a Standing Order which we didn't have years

ago but we have now in the current environment. Standing Order 7(6) says:

When Projected Government Business is called on Thursdays, the Official Opposition House Leader may ask one question pertaining to the order of Government business to be brought before the Assembly in the next week.

There has to be an assumption inherent in all of this that whatever outline is given on that Thursday afternoon is, in fact, going to be the one followed the next week, recognizing the need for some flexibility. Everybody understands that.

Thirdly – and the third point is the most important one, hon. members; the third one, the most important one – is Standing Order 10, which doesn't give any excuses to anybody: "Every Member is bound to attend the service of the Assembly . . ." If you believe that, there's not an issue. You're here. The business will come up. Nobody'll miss anything. And that's the responsibility.

There are 3.3 million people out there. A handful of them will actually want to come here. Some people actually go through nomination meetings and elections to get here. There must be a reason why they've done that. So what's getting here? Obviously, they want to be in this building. They want to sit here and debate and participate. So when the chair looks out, the chair should see, actually, 82 smiley faces working in harmony with one another, conducting the business of the people of Alberta.

head:

Orders of the Day

head:

Government Bills and Orders Second Reading

Bill 21

Securities Amendment Act, 2007

The Speaker: The hon. Member for Calgary-Montrose.

Mr. Pham: Thank you, Mr. Speaker. I stand today and move second reading of Bill 21, the Securities Amendment Act, 2007.

This legislation follows a process that began several years ago when the provinces and territories agreed that they need to work together to inspire high investment confidence and make Canada's capital market more competitive.

In 2004 they signed a memorandum of understanding regarding securities regulations in a historic act of co-operation between provinces and territories. The agreement commits Alberta and other provinces and territories to develop a passport system of securities regulations as well as harmonized and streamlined securities legislation across Canada.

Since the signing of the agreement we have been working hard with our counterparts to meet these objectives. The first phase of the passport system was implemented in September 2005 by all provinces and territories except Ontario. It opened a single window of access to capital markets across Canada. Last month the national rule to implement a second phase of the passport system was released for public comment. Phase 2 will be implemented in stages, beginning in 2008, to further our goal of ensuring Canada's securities regulatory system meets the needs of our stakeholders, including investors and industry. In effect, it opens the single window even wider. The Securities Amendment Act, 2007, supports the passport system and other national rules that update, harmonize, and streamline securities regulations across Canada.

The legislation includes amendments that do several things: first, it will establish a common business trigger for all regulated activities, which is consistent with practice in the United States and United Kingdom; second, this amendment will require the registration of investment fund managers and individuals who perform

prescribed functions, such as a chief compliant officer or an alternate designated person; third, replace the current annual renewal system with a system of continuing registration until suspended or terminated; and, fourth, move detailed requirements to the national rule, such as particular registration categories, handling of potential conflicts of interest, and registration status upon individuals leaving their employment or being hired by another firm.

[The Deputy Speaker in the chair]

Alberta is one of the first jurisdictions to introduce these amendments. We would expect the other jurisdictions to introduce similar harmonized provisions at their earliest opportunity. We are also continuing to harmonize our security legislation in the area of enforcement. These amendments ensure that our legislation remains modern, streamlined, and harmonized with other jurisdictions. It should be noted that these changes follow significant improvements to investors' protection and enforcement in the past few years, including the introduction of civil liability provisions for investors in the secondary market.

2:40

As the second-largest capital market, it is important that Alberta continue to show leadership and keep its legislation as up to date as possible. I urge all members of this Legislature to give their support to Bill 21.

Mr. Speaker, at this point I move to adjourn debate on Bill 21, Securities Amendment Act, 2007.

[Motion to adjourn debate carried]

Bill 22

Alberta Investment Management Corporation Act

The Deputy Speaker: The hon. Minister of Finance.

Dr. Oberg: Thank you very much, Mr. Speaker. I stand today and move second reading of Bill 22, the Alberta Investment Management Corporation Act.

Mr. Speaker, this legislation will establish Alberta Investment Management as a stand-alone provincial corporation. To provide a bit of background, Alberta Finance's investment management division is responsible for managing about \$70 billion in assets, including public-sector pension funds, endowments, and other funds. Some of the funds include the Alberta heritage savings trust fund, which is obvious to everyone, but also the public service's pension plan, the sustainability fund, the medical research endowment fund, the science and engineering research endowment fund, to name only a few.

Our investment staff provide exceptional stewardship of these assets on behalf of Albertans, civil servants, and other clients. For example, we added 1 per cent in added value above the policy benchmark in 2006, which translated to about 435 million extra dollars. The heritage fund, Mr. Speaker, in the year 2006 returned a 14.8 per cent rate of return. Well, we know that given the right opportunity, our investment managers can do even better.

Last year a government-commissioned organizational study concluded that Alberta investment management should be moved out of the Department of Finance and set up as a provincial corporation. A stand-alone structure is consistent with the current best practices for the top public-sector investment funds, such as the British Columbia Investment Management Corporation, the Ontario Teachers' Pension Plan, the Ontario municipal employees retirement system, and the Canada pension plan. More specifically, the study

concluded that a provincial corporation structure would allow for improved governance, operational flexibility, and a much more focused investment culture.

We agree with these conclusions and expect that these improvements will result in a greater investment return for AIM's clients over time. For example, every tenth of a per cent in net value-added investment returns per year would mean \$16 million per year net income to the heritage fund or close to \$50 million per year on all the balanced investment portfolios AIM manages. Mr. Speaker, in the study they predicted that we would be seeing increases of 100 basis points, which would rise to around a \$500 million improvement on a per year basis if we achieve that. We're slightly more conservative, and we're expecting to receive anywhere from 25 to 50 basis points, but even at that we're looking at a potential of \$250 million.

I can certainly appreciate that there might be some concerns about putting our savings, pension plans, and other funds in a stand-alone organization, but let me assure the Assembly that this has been foremost on my mind as we developed the plan to create this new corporation and is indeed reflected in the legislation that I am moving today. While the new AIM corporation will have greater operational flexibility, the investment policies for the various funds will continue to be set by the clients, including the government and pension plan boards. I'll reiterate that: the investment policies for the various funds will continue to be set by the clients, including the government and the pension plan boards.

Furthermore, Bill 22 proposes controls and accountability tools. For example, the oversight of AIM will be turned over to a professional board of directors appointed by the Lieutenant Governor in Council. The government will have the ability to issue directives to the corporation. AIM will be subject to the Fiscal Responsibility Act, and its budget will ultimately have to be approved and published as part of the government's budget process in the same manner as other noncommercial provincial corporations. The Auditor General will be the auditor for the corporation and be entitled to attend, call, and be heard at all meetings of the corporation's audit committee. A memorandum of understanding between the government and the corporation will specify roles and expectations regarding the corporation's mandate, accountability, and reporting requirements.

Finally, Mr. Speaker, I want to make it perfectly clear that we're doing this not because we're unhappy with the performance of our investment operations – our staff does a wonderful job – but we truly feel and, certainly, the study has shown us that by putting in the provincial corporation, we will give them more flexibility, that we have the potential of creating an investment centre in Alberta. This investment fund will be the fifth-largest investment fund in Canada, and it will be centred here in Alberta.

So, Mr. Speaker, I certainly urge all members of the Legislature to give support to Bill 22, which is a very critical bill. With that, I would adjourn debate on Bill 22, the Alberta Investment Management Corporation Act.

[Motion to adjourn debate carried]

Bill 6

Post-secondary Learning Amendment Act, 2007

The Deputy Speaker: The hon. Member for Lethbridge-West.

Mr. Dunford: Curling capital of the world.

Thank you very much, Mr. Speaker. It's my pleasure today to rise and move second reading of Bill 6, the Post-secondary Learning Amendment Act, 2007.

In 2003 the government of Alberta introduced the Post-secondary Learning Act, which consolidated several pieces of legislation to more effectively govern the postsecondary education system. As our government works with the postsecondary system to transform our practices, we continue to find ways to improve the Post-secondary Learning Act while maintaining accountability.

This bill proposes several amendments to the act that will enhance its clarity, flexibility, and responsiveness to the needs of postsecondary institutions. In addition to the housekeeping amendments around the wording of graduate student associations the amendments we are proposing concern expanded regulatory authority for the establishment of alternative academic councils, board terms at colleges and technical institutes, disposition of land, pooled trust funds, and the approval process for private degree programs.

I would like to take the time of this House, Mr. Speaker, to briefly outline each amendment. In regard to alternative academic councils the act allows for colleges and technical institutes, through a regulation, to adopt an alternative academic council model with ministerial approval. The alternative model supports colleges and technical institutes moving to degree granting. It is somewhat similar to that of a general faculties council at universities, where academic staff are more involved in decisions about academic programs. Through the consultation process on the development of the regulation colleges and technical institutes requested that eligibility criteria be reflected in the regulation for transparency and clarity. The current authority outlined in the act only allows for powers, duties, and procedures on establishment. This amendment would allow for eligibility criteria as well.

Now, what was asked for in the consultations, Mr. Speaker, was that to be eligible to adopt an alternative academic council, the college or technical institute must reflect 40 per cent of total credit FLEs, which are full-load equivalents, enrolment in baccalaureate degree programs as approved by the Campus Alberta Quality Council, and that, of course, is the amendment to meet that recommendation.

2:50

Regarding boards, currently college and technical institute board chairs may serve for a maximum of two terms as a member or as a chair. This means that a member serving his or her second term and who has gained extensive experience and knowledge cannot serve as chair if the position becomes vacant. After consultation with colleges and technical institutes we are proposing that members, if appointed chair during their second term, have the opportunity to serve one additional full term as board chair. This provides some additional flexibility but maintains the term-certain period.

The next change is regulating the disposition of land at public postsecondary institutions. This demonstrates government's commitment to the autonomous board-governed institution model and the government's role to monitor institution planning and development. Under the existing provisions institutions are required to obtain Lieutenant Governor in Council approval to sell land being used for the purposes of the board and lease land held by the board for leases of more than five years.

Let's first focus on the sale of land component to the amendment. Given that land is an important commodity, it is critical that we maintain approval on land sales at institutions to ensure that we are meeting the long-term needs of the province. However, institutions also have land donated or willed to them. Often this land is not located near the main campus and has not been part of the long-term planning for the institution. In those cases the amendment will provide some flexibility and enable boards to sell the land if that

seems appropriate. This amendment also impacts leases, such as leases for coffee shops, food courts, restaurants, and other businesses that provide services to students, staff, and faculty. This legislative change will eliminate the need for institutions to request Lieutenant Governor in Council approval for such routine operational leases.

The pooled trust fund amendment is a change that will ensure consistency with currently accepted practices. The change will allow boards to pool trust and nontrust funds and to encroach on capital. Institutions are given a variety of funds as trusts. There are many that are actually small amounts of money. To help institutions maximize their return on these funds, trust and nontrust funds need to be pooled. The Auditor General monitors institutions' investments, including those of pooled accounts, as part of its annual audit. There have never been any concerns regarding how an institution invests its trusts. In most cases the institutions advise how they invest any donated amounts.

The final amendment deals with the approval of private degree programs. Currently private institutions wishing to offer degree programs must go through a system co-ordination review by the ministry, followed by the Campus Alberta Quality Council review process. Once they meet all of the requirements, they must obtain Lieutenant Governor in Council approval for both designation as a degree-granting institution and approval of the program. This must occur each time they wish to offer a new degree program. Under the amendment private institutions would still go through the examination of how the degree fits with programs offered across the system and the rigorous Campus Alberta Quality Council review process. If the institution is proposing to offer a degree program for the first time, it would still require Lieutenant Governor in Council approval to become a degree-granting institution. However, any subsequent degree proposals would be approved by the minister, which is consistent with the approval process for public institutions.

This process would be more efficient and timely while still ensuring quality and system co-ordination. Campus Alberta Quality Council closely monitors approved degree programs to ensure that they continue to meet quality standards. As you can see, these amendments are designed to enhance the clarity and flexibility of the Post-secondary Learning Act and be responsive to the needs of postsecondary institutions.

I ask that all members support Bill 6. Thank you, Mr. Speaker.

The Deputy Speaker: Are there others? The hon. Member for Calgary-Currie.

Mr. Taylor: Well, thank you, Mr. Speaker. It's my pleasure to rise today on second reading of Bill 6, the Post-secondary Learning Amendment Act, on behalf of my colleague the hon. Member for Edmonton-Meadowlark, the shadow minister for advanced education on this side of the House, and speak to the bill being brought forward to the House today. In general I would like to tell the Member for Lethbridge-West that we are supportive of this bill. We like this bill. [some applause] I hope you didn't bruise your hand with all that table thumping there, but thanks for the endorsement of the endorsement.

We have just a couple of concerns with it, which I'll point out in brief here, and then we can deal with in more detail in clause by clause study in Committee of the Whole. First, let me say generally that we have not always supported all parts of the Post-secondary Learning Act. The Post-secondary Learning Act was introduced back in 2003 as Bill 43, a bill which the Alberta Liberal caucus at the time opposed, a position in line with that of student groups. It was amended in 2005 with Bill 9 and Bill 55 and in 2006 with Bill 40. Bill 40, of course, was the bill that took tuition fee limits out of

legislation and placed them in regulations, a move that the Alberta Liberal caucus strongly opposed and continues to oppose.

Bill 55, on the other hand, was something that we very much supported because that was the bill that introduced this concept – well, more than a concept – the alternative academic council. That is, as we talked about in the House at the time, absolutely crucial to making sure that when we grant institutions other than universities in this province degree-granting status, the students get full value for the not inconsiderable amount of money that they and their spouses and their parents and their loved ones sometimes have spent and sometimes that the government of Alberta has advanced them on their education. A baccalaureate degree granted in the province of Alberta that is not recognized by other institutions outside this province is not worth very much at all to someone who wants to go on to graduate study at the institution of his or her choice. Those problems have occurred, and Bill 55 could be accurately described as the first attempt to deal with that in a positive way. What Bill 55 sought to do, of course, was set up these alternative academic councils, which were a way and continue to be a way of achieving the governance requirements of the Association of Universities and Colleges of Canada, the AUCC.

Now, every university in this province is a member of AUCC. Colleges and technical institutes have not been, and for those colleges that want to move to a broader degree-granting status if not full out university status some day, membership in AUCC, a national accreditation, is absolutely key. There is no accrediting body per se in Canada. There is some thought that's given from time to time that maybe Campus Alberta Quality Council could grow into that national accrediting body, but it's not there yet. The best option that we have is membership in the AUCC because not only does that confer certain recognition and status on the member institution that's recognized by all other member institutions but it does set certain standards. This is what Bill 55 sought to do. That was why we were so happy to support it, specifically in the case of Mount Royal College, which has ambitions to become a university some day, sooner rather than later, we on this side of the House hope, as they do at Mount Royal, and in the case of any other college or institution not a university in this province at this time, or not yet, that desires to grant baccalaureate degrees that will be of full value to their students.

3:00

When we look at Bill 6 and its amendment of section 47.1, we're very much in support of that. On the surface it appears to be placing more power in the minister's hands than normally. Those of you on the government side of the House might expect me to rail on about that to some extent, but I think we understand that what's going on here is just setting out what currently occurs. Proposals for alternative academic councils need to be approved by the minister. This change just means that the minister must set out in the regulations the requirements for that approval. So we're fine with that.

In fact, we're fine with most of the bill, and we're probably going to be fine with all of the bill if we could just get a little bit of clarification on the language in a couple of the sections that are to be amended; for instance, section 67, the one that deals with changes to how land held by the board of public postsecondary institutions can be disposed of. It allows the lease of any land for more than five years without the approval of the Lieutenant Governor in Council as long as it is "for the purpose of providing support services to the students" – and it puts support services in quotes – "faculty or staff" of the institution. And the support services are to be determined in government regulations.

So all we need to be happy – unless, of course, you give us the

wrong answer, an answer we don't like – is a clarification on what will be considered support services. I think that when the Member for Lethbridge-West introduced the bill, he gave some indication of what those support services might be. I would like to get more clarification, and if we can do that at committee stage, we're going to be quite satisfied with where we're going with that unless, of course, there's something in there to be considered as support service that just doesn't pass muster with us. But we shall see, and we'll talk about that more at committee stage.

The other area that we have a little bit of concern about, again in terms of needing some clarification of the regulation wording, is the amendment to section 76, which gives boards the ability to withdraw some of the capital of trust funds in order to be able to withstand fluctuations in the amounts distributed by that fund. You know, trust funds are intended to serve as a stable source of funding through interest, but they can be undermined if you take out capital for short-term gains at the cost of long-term interest. So we should find out what kind of situations the government and the boards have in mind that would require these kinds of withdrawals. Again, as we go through the bill clause by clause, we can probably put those questions to the government, and I think it would be reasonable to expect that we could get a pretty specific answer on that.

So those are really the things that we're looking for. In general, Bill 6 clarifies the language of the Post-secondary Learning Act. In general, it makes legislation reflect current practices. It responds to some of the recommendations made by the Auditor General. It seeks to increase the effectiveness of the approval of degree programs. So those are all changes that we can support, and in some cases they're not terribly significant changes anyway.

So if we could get some clarification of those proposed regulatory changes, I think that this side of the House, or at least this Official Opposition Alberta Liberal caucus, would be quite prepared to support the government on Bill 6.

Thank you, Mr. Speaker.

The Deputy Speaker: Are there others? The hon. Member for Edmonton-Strathcona.

Dr. Pannu: Thank you, Mr. Speaker. It's a pleasure to rise and speak to Bill 6, the Post-secondary Learning Amendment Act, 2007. I've been listening very carefully to the speakers, each one of whom spoke on what's in the bill and what's considered desirable, a step forward, what's just routine, what's a substantive change. I think, in general, there are some minor amendments, it's true, that clarify the language of existing legislation. That's fine with us.

There are things that are not in the bill that I would have liked to see. I would have liked for the government to have used this opportunity, for example, to entrench in legislation the cap on tuition fee policy, a cap on tuition fee increases. We were very unhappy, as were the students, with respect to the absence of this legislative commitment on the part of the government when we had the last opportunity to speak to amendments to the legislation relating to this matter. So that's a disappointment. I would have thought that the new minister and the government under the new Premier would have quickly responded to the serious concern on the part of students and us to put back in legislation that matter relating to tuition fees and tuition fee increases.

That being said, there are some other matters. I think that the amendment to the existing legislation with respect to alternative academic councils adds a provision to the existing ones by way of giving the Lieutenant Governor in Council the power to establish the criteria that a public college or technical institute must meet in order to be eligible to apply for approval to establish an academic council

in a given institution. This will be done through regulation, as to what those criteria are. I want to return to it later on, Mr. Speaker, because we have received a fair bit of input and representation from the institution most likely to be affected by this change in the legislation, this particular change having to do with academic councils.

We have received representation, for example, from ACIFA, Alberta Colleges and Institutes Faculties Association. I think there are some very constructive suggestions that ACIFA makes with respect to the kind of legislative provisions that need to be spelled out and changes that need to be made in the existing regulations to strengthen the ability of academic staff to play a significant role in the determination of academic matters, as distinct from financial and other administrative matters, which have remained in the purview and under the authority of boards of governors.

Mr. Speaker, some of the provisions in this bill will certainly affect primarily colleges and technical institutes. Many of the colleges are moving towards either expanding the university type of offerings or preparing to move from two-year preparatory university-type courses to offering degrees. Some are already offering degrees. So with the expansion of the university degree programs both currently taking place and anticipated to happen to be able to respond to access challenges that we face, I think it is important to strengthen the role of academic faculties in the decision-making processes of these colleges, particularly decisions that have to do with academic curricula, academic requirements, and other important academic decisions. If we expect these colleges and institutions to in fact be able to deliver degree programs which enjoy a credibility equivalent to the one enjoyed by our universities, then surely it's important that we put in place legislative and regulatory rules which will enable academic faculties to play a requisite role, that faculties now play, within the university structures. That's what I think I would like to focus on, Mr. Speaker, after making one or two more points.

3:10

I was looking very closely at amendment 8, which amends section 124. It does in fact repeal section 124(h) to (k) inclusive and is replaced by a number of new provisions and subclauses. The only observation that I want to make about it is a little bit of concern that I developed as I was reading closely the new legislative provisions under section 124, particularly those subsections that replace existing subsections (h) to (k). For example, subsection (i) in the existing legislation reads as follows: "respecting the referral of proposed degree programs to the Campus Alberta Quality Council," and it says explicitly "for review and recommendations to the Minister." This provision is repealed and is replaced by a statement which is vaguer than the statement that I just read, that will be repealed. The new statement reads: "respecting the referral to the Campus Alberta Quality Council of proposed programs of study for which a degree may be granted."

There's not much said about that the quality council will in fact be expected to make a review and, resulting from that review, that it will be expected to make recommendations. That, to me, is perhaps just an oversight. Its absence, the failure to explicitly say that the quality council will be expected to make recommendations to the minister, suggests that the minister may in fact either ignore the recommendations or simply say that no recommendations are needed. I am suggesting that there's some vagueness there. I'm not suggesting that that's what's intended, but there is a vagueness there, and that bothers me a bit. That, in my view, needs fixing.

The other provisions that replace the existing ones certainly do refer to resident private colleges. I have this feeling – and it may be

an unfounded concern at this point – that we may be opening the door wider to nonresident institutions, some of which may, in fact, be for-profit institutions from outside of the province or outside of the country that do business in the area of postsecondary education here. Again, this is a concern that I hope can be allayed in our debate, in the discussion, but that certainly is a concern.

The concern that I have on this is not so much about profit, but as you increasingly move some programs into institutions that are private and for profit, I also find that the cost for students to go to these institutions increases very, very dramatically. Going to a private, for-profit institution for the same degree that may be available at a public university or college is much higher. Now, it is true that these colleges and universities don't directly receive any public money, and therefore one can say: "Well, they're in the market. If the price is too high, then they will not succeed. They will not attract students." But we know that given the accessibility problems, many of our students, in fact, have chosen to go to these universities not out of choice but because they have no choice but to go to these degree-granting institutions. And when they go there, they are going there funded liberally by our student finance program.

Students who are in fact going to these private, for-profit institutions to earn a degree for which they can't find a place in the public system pay much higher costs for the same thing. So the issue of equity here is introduced by the expansion and growth of the private, for-profit postsecondary sector, which is allowed to offer these degrees. That's another concern, I think, that I wanted to raise here, Mr. Speaker.

Now, with the limited time remaining, I just want to draw attention to matters related to academic governance raised by the Alberta Colleges and Institutes Faculties Association. Just quickly, I want to first of all draw attention to the kind of concerns that they raise. They support the notion of shared governance, that the academic faculty play more role in the determination of decisions, but they think that the present policy limits eligible colleges or technical institutes to those who have at least 40 per cent of FTE enrolled in baccalaureate degree programs or applied degree programs.

The difficulty with that is that it leaves most of the colleges and institutes out of the possibility to be able to establish academic councils. They hope that this regulatory requirement can be relaxed so that more colleges and more institutes, who in future may be able to offer these academic programs leading to degree programs, can have more academic input in the decisions that are related to academic matters on their campuses. So that's one issue.

The other one is that ACIFA also advocates for the revision of the academic council structure so that academic staff comprise at least a 60 per cent majority of the membership. Now I think it's a 50-plus-1 rule, that they have 50 per cent representation on these academic councils, with a possibility of this going beyond 50 to 55. What they are hoping is to again underline the importance of the academic role in the determination of academic matters, that legislatively or in a regulatory form this representation be increased to 60 per cent so that it approaches close to what the situation is at the universities around our province.

The third matter again, I think, relates to the issue of academic governance, and the amendments in this act deal with part of that. ACIFA advises that the regulation be amended so that the board and the alternative academic councils must each approve appointments to the council made under section 5(1)(a)(v). Presently this approval authority rests exclusively with the board, and ACIFA is requesting that this matter be looked at closely. If, in fact, we think that there's a great deal of value in increasing the role of academic staff making academic decisions in the governance processes, then they should

share this responsibility with the board of governors to approve the appointments, that this shouldn't remain exclusively with the board.

One more point they make is that ACIFA urges that the process to elect faculty should be jointly determined by the board and the faculties association. Again, I'm surprised – I wasn't aware of this – that currently the process to elect faculty resides with the board. I think it seems to be very reasonable for the faculties to have some say in the determination of this.

Thank you, Mr. Speaker.

The Deputy Speaker: Hon. members, Standing Order 29(2)(a) is available for questions or comments.

Seeing none, does anyone else wish to participate in the debate?

[Motion carried; Bill 6 read a second time]

3:20

Bill 8 Vital Statistics Act

The Deputy Speaker: The hon. Member for Whitecourt-St. Anne.

Mr. VanderBurg: Thank you, Mr. Speaker. I'm pleased to move second reading of Bill 8, the Vital Statistics Act.

Bill 8 consolidates the Vital Statistics Act and the Change of Name Act and modernizes the legislation in this area. Some of the highlights under the vital statistics provisions include prescribing information required from parents regarding the registration of birth of their child, removing the concept of child legitimacy from the legislation, and accommodating surrogacy births by requiring that the registrar replace the child's birth registration in accordance with a court order showing a genetic donor as the mother.

The provisions allow a child to be named on the birth registration in accordance with the child's cultural or ethnic heritage, subject to the discretion of the registrar. They include providing the registrar with the discretionary authority to refuse to register an improper name, such as a name with profanity. It includes creating provisions to deal with the registration of births, stillbirths, and deaths that occur on aircraft and includes giving the registrar the authority to register a presumption of death where the court determines a death occurred in Alberta. It includes setting out requirements around disinterment and reinterment permits to ensure that a body does not pose a health risk to a community before a disinterment permit is issued.

Some of the highlights under the change of name provisions include allowing minors to change their name or their child's name if they're married, an adult independent partner, or a parent or guardian of a child. The bill includes requiring an individual whose name is being changed and who is 12 years of age or over to submit their fingerprints as taken by a law enforcement agency. This provision will allow for tighter security to ensure that people are not changing their name to avoid criminal charges or past criminal activity. It includes providing the registrar with the discretion to deal with cases where it would be inappropriate to issue change-of-name certificates, such as witness protection cases. It includes providing that consents for change of name must be given by both parents or all guardians unless there's a court order dispensing with any of these required consents.

Highlights under the general provisions include requiring that the type of personal information to be included in a form be prescribed in regulation, that any decision by a deputy registrar or individual authorized under the act may be reviewed by the registrar, and that the majority of the registrar's decisions may be appealed to the Court of Queen's Bench. It includes allowing the registrar to order the

return of a certificate or certified copy if the registrar is satisfied that it is being used for fraudulent or improper purposes, and failure to do so will be an offence.

It includes increasing the time periods for releasing information about a birth or stillborn for genealogy research to provide longer privacy protection for people who are living longer. It includes having the penalties for minor offences fall under the Provincial Offences Procedure Act and includes providing directions for the court regarding information to be included in a court order for presumption of death and amending parentage on a birth registration document. It also includes allowing the regulations to set out the evidence required to register a non hospital birth, a non hospital stillbirth, and a registration of stillborn one year after the event.

All these amendments will modernize the legislation to reflect cultural changes, improve clarity, and update language and processes. Thank you, Mr. Speaker.

The Deputy Speaker: The hon. Member for Edmonton-Rutherford.

Mr. R. Miller: Thank you very much, Mr. Speaker. It's my pleasure to participate in second reading of Bill 8, the Vital Statistics Act, this afternoon. First of all, I'd like to thank the sponsor of the bill, the hon. Member for Whitecourt-St. Anne, for sharing his briefing documents with myself and my researcher. I always like to take the opportunity to thank a member from the other side when they do that because I do believe that it makes for better debate in this House and, ultimately, better legislation for all Albertans. So I do appreciate that. Thank you.

Mr. Speaker, the purpose and intention of this bill is worthy of support from all sides of the House, and I'm going to suggest that, ultimately, I will be recommending to the opposition caucus that it receives our support. However, I would like to point out that caution is warranted due to the sensitive nature of the issues themselves. We know that oftentimes attempts to accommodate ethnic and cultural diversity do lead to unforeseen problems, so I think it's prudent to be cautious as we proceed through debate on Bill 8.

I appreciate the sponsor's comments in moving the bill in second reading this afternoon. There are a number of questions that I do have, however, Mr. Speaker. I'd like to run through just some of them and, I suppose, also put the sponsor on notice that when this bill gets to the committee stage, assuming that it passes through second reading, as I'm sure it will, I'll have some more detailed questions in terms of the wording of the bill. Certainly, we know that at second reading the idea is to debate the intent of the bill, so I have some questions now that would be relative to that.

I note in the bill that an awful lot of it deals with the protection or storage of personal information. One of the questions that I would be wondering about would be whether or not the Privacy Commissioner was consulted in the drafting of this bill in order to ensure that none of the changes to the new Vital Statistics Act would violate the province's privacy legislation.

I note that in many cases the term "director" in the old legislation has been replaced by the term "registrar," and I'm wondering if the minister might share with us why that is the case, if there's a specific reason for that change having been made or if it's simply a matter of updating the language. In discussing this with the sponsor of the bill earlier, I understand that the Vital Statistics Act has not really been overhauled in a major way for some 50 years, so it would certainly appear as if it was time to do a major rewrite of the bill, and perhaps that's the explanation there.

I'm wondering if either the sponsor or the minister might share with all members of this House which groups or organizations were consulted in the drafting of the bill and what the primary reason or

motivation was for updating the act. As I suggested, perhaps it was just the fact that it hadn't had a major rewrite for 50 years. Perhaps some of the cultural changes that were referred to were the overriding, driving factor. I'm not sure.

Mr. Speaker, there have been serious questions raised in Alberta over the past number of years regarding the security of provincially issued identifications; in particular, drivers' licences. I think many members will be aware of a number of instances where there have been questionable practices around the issuance of driving licences, the renewal of driving licences, and so forth, so I'm wondering whether or not some of the changes to this bill might have been spurred on, in fact, by the need to improve the security measures in regard to private registries that are operating in the province.

It's been stated that this new act will reflect in many ways similar legislation from other Canadian provinces, Mr. Speaker, and again I'm wondering which other jurisdictions were consulted in drafting this bill or if the sponsor might be able to share with us exactly which provinces' legislation this is reflective of.

Mr. Speaker, organized crime has certainly become a real concern for Albertans over the last number of years, and the speaker mentioned sections of this bill that deal with name changes in an effort to make sure that criminals aren't changing their names just to avoid prosecution. I'm wondering if that is the only real threat that the government has identified or if perhaps there are other threats as well in relation to organized crime that this bill might be designed to address.

3:30

Several areas in the bill, Mr. Speaker, touch upon fraudulent activities and the need to prevent fraudulent behaviour with respect to vital statistics. I certainly think that many of us have either experienced personally or known someone who has experienced identity theft to some extent, and we've seen the ravages that that can take on individuals when they suffer loss of identification. So I'm guessing that, you know, a lot of this is designed to address those particular situations. I'm wondering whether or not law enforcement agencies were consulted in the drafting of this bill and, if they were, in fact, whether or not the sponsor or the minister might be able to share with us what their involvement was in the drafting of the bill.

Mr. Speaker, the government press release notes that the bill is being proposed in large part to recognize cultural and ethnic diversity in Alberta. I'm wondering, again, if either the minister or the sponsor might be able to share with us which groups were consulted to ensure that, in fact, cultural and ethnic diversity is respected, that we're covering all of the various ethnic and cultural groups that are represented in this great province of ours. I'm wondering whether or not the government might have plans to update other legislation that would be affected in a similar way, where there may be any number of cultural or religious groups that would be affected by other legislation and if this piece of legislation, having been fully reworked, is reworked to respect those various diverse groups, if in fact the government shouldn't be doing a review on a broader scale of other legislation and bringing it up to standard as well.

Also referenced in the government press release were remarks regarding section 15 of the Charter of Rights and Freedoms, and I'm wondering if that's in response to perhaps some challenges to existing laws that may have been made in Alberta based on the Charter and if that was the case, if the minister might be able to share with us whether or not that was, in fact, the case and what the specifics of those challenges might have been.

So with those questions, Mr. Speaker, I think I will take my seat and allow others to participate in debate in second reading. As I say,

I've got a number of more specific questions when we get into the committee stage, but certainly those are sort of the top of my questions that I have for the sponsor and the minister at this time.

Thank you.

The Deputy Speaker: The hon. Member for Edmonton-Strathcona.

Dr. Pannu: I'll be very brief, Mr. Speaker. Thank you for this opportunity to make some comments on Bill 8, the Vital Statistics Act. Yes, it's clear that the existing piece of legislation that we have in place probably is outdated, outdated because there have been no revisions either to the language or to the substance of the bill over the last 30, 40, 50 years, and the world has changed. The world in which we live is a very different world now.

Reference is made to cultural diversity, that has increased, and that brings up questions of practices, childbirth, and other rights surrounding it. Sexual mores have changed. I notice in the bill in chapter 4 amendments for records on change of sex. I suppose that this was something that was very, very rare 50 years ago, so that's no longer the case.

But it would have been helpful if the hon. Member for Whitecourt-St. Anne had elaborated a bit on the bill in terms of what changes that are made in the bill reflect, in fact, changes in values, changes in cultural sort of practices over the years. So it would be easier to follow the bill and the changes in it, those that are related to or in fact represent a response to specific patterns of behaviour that have changed over the years because of cultural change in general and which provisions of the bill reflect, in fact, the increased cultural diversity, not just change in the same culture but a different kind of cultural pattern being present in today's society that wasn't the case, say, some years ago.

In general, by looking in a very general way, most of the changes seem to be in the form of updating to change the language or to include matters that were not included before, such as the one I just mentioned on change of sex. Others are administrative. There are lots of bills here that will need to be changed, I suppose. The bill repeals the old vital statistics one and amends the Change of Name Act while amending the Marriage Act, the Fatality Inquiries Act, the Cemeteries Act, the Child, Youth and Family Enhancement Act, the Adult Adoption Act, the Family Law Act, the Freedom of Information and Protection of Privacy Act, and the Insurance Act.

Yes, sure, there'll be changes required here that reflect changes on other pieces of legislation. Some of those pieces of legislation perhaps weren't even there when the old Vital Stats Act, that this act will replace, was voted on and became a statute of this province. Particularly, I think, because the bill will reflect matters covered by the Freedom of Information and Protection of Privacy Act, I wonder if either now or later we'll get some information on which parts of the act, in fact, are designed to accommodate the provisions of the Freedom of Information and Protection of Privacy Act. In general, Mr. Speaker, I think that the amendments that are proposed here are overdue, and in a very general way we are certainly supportive of this bill.

Thank you.

The Deputy Speaker: Hon. members, Standing Order 29(2)(a) is available again.

Seeing none, are there others who wish to participate? The hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Yes. Thank you very much, Mr. Speaker. I've been listening with interest to the discussion on Bill 8, the Vital Statistics Act, this afternoon, and I, too, would like to get on the record as supporting this legislation. This is more of a moderniza-

tion of existing legislation than it is housekeeping, I believe. Certainly, whenever we look at the press release that was issued by the government to alert the public to this legislative change – it's a little over a month ago, Mr. Speaker, that the hon. Member for Whitecourt-St. Anne first talked about Bill 8. In a quick review of this I don't see any problems with it.

We may not notice the importance of this new legislation until we look at the *Alberta Gazette*. You can see that there's hardly an edition of the *Gazette* that is not published without a long list of individuals who for one reason or another are either changing their name or amending their name. It is interesting to note, Mr. Speaker, that a person can amend their first name if they've been known by a first name that is different than the one shown on their birth certificate as long as they were known by that name prior to their 10th birthday. They can also amend their name if they were never given a first name or were given a first name that was unacceptable to the registrar. All that is required to amend their name is to fill out an application form, sign an affidavit, and provide documentary evidence in support of their application.

Now, as I understand it, and I could be corrected, any person can change their name, their first name or their last name, at any time or at any age. All persons must fill out an application form, again sign an affidavit, pay an application fee. Sometimes I wonder about these application fees and whether or not they're appropriate. I've certainly heard at our constituency office people complain about the cost, the application fee. Again, Mr. Speaker, you have to provide proof of identity and marital status. Individuals 12 years of age or over must submit fingerprints taken by a law enforcement agency with their application. I believe the fingerprints are needed as part of the application to legally change a person's name, but I would like clarification as to what happens with those fingerprints after the process is completed.

3:40

Now, I had recently a constituent come to our office with an issue around her name on her birth certificate. She was born some years ago, and she was born on her family's farm. A couple of weeks after her birth her father went to town, I think to the post office at that time, to register the birth, and there was some issue around the name that was actually recorded on the birth certificate. The name that this woman had used all her life, including 45 years as a public school teacher – she had a university degree. She had lots of qualifications. But suddenly her name wasn't right. I was surprised at what it took for this to be corrected, and I was surprised at the amount of money. But if it's any reassurance to this House, I was also delighted at the response that she received from civil servants. They worked quickly and correctly to ensure that her problem with a typo was fixed. It was nothing more than a typo that was made many, many years ago.

So in conclusion, we may look at Bill 8 as a mere matter of housekeeping, but it's more than that. One only has to look at the *Alberta Gazette* to see the importance of this legislation to so many people across the province.

Thank you.

The Deputy Speaker: Hon. members, again Standing Order 29(2)(a) is available.

Seeing none, does anyone else wish to participate in debate?

The hon. Member for Whitecourt-St. Anne to close debate.

Mr. VanderBurg: Well, thank you. You know, I think I have most of the questions and some answers for members opposite. But if I run short, I'll make sure to cover them off in the next stage.

Like the last member talked about, this bill is more than house-

keeping, and I totally agree. It has some substantial changes and changes that have not been made for many, many years. In response to some of the questions with regard to the protection and storage of information, the Privacy Commissioner was definitely consulted on the fingerprints for minors. The access and privacy branch of Service Alberta reviewed the draft act for privacy concerns as well.

You know, when we talk about the new cultural, ethnic, and religious updating of this bill, the provision is intended to accommodate cultural or religious practices that do not conform with the normal naming restrictions. The courts have ruled that legislation should strive to accommodate Canada's cultural mosaic. The provision will reduce the risk of constitutional challenges, we hope. I can give the members some examples. You know, it's a north African tradition to list the father's name as the baby's last name. It's a Polish tradition to give a baby girl a variation of her father's last name; where the father's last name ends in an I, the letter A is substituted. It's a native American tradition to give the first or last name of a grandparent or a revered elder as a baby's last name. Just some examples.

There's no doubt that many of the provisions in Bill 8 are required in order to deal with modern-day occurrences.

The issue of security: there are provisions in this bill that spell out the requirement and allow for tighter security than is being currently practised under the authority of any further documentary evidence. Fingerprints are required for the police to check that individuals are not changing their names to avoid criminal charges or past criminal activity after a name change has been done. Government services is not informed if the individual has a criminal record. That stays with the law enforcement agencies.

The question was asked about the consultation, and there's no doubt that consultation on this legislation was limited to civil law, family law, constitutional law, court services, and Health and Wellness. There is a long list of stakeholders affected. I can give some examples of the stakeholders affected: hospital administration staff, physicians, midwives, government departments or agencies like Statistics Canada, Passport Canada, Service Canada, Alberta Health and Wellness. There are medical examiners that are affected, adoption lawyers, adoption services, government departments and agencies that deal with that. Of course, on the death side: the funeral homes, cemeteries, medical examiners again, researchers. The legal change and the name issues, of course: registry agents, law enforcement agents will be affected. Documentation issues: courts, vital statistics, other Canadian vital statistics jurisdictions, again physicians, registry agents. So it has a wide impact, Mr. Speaker.

On the driver's licence issue: the motivation to amend the act was to update legislation – again, like I had talked about – to bring it into modern times. The legislation has not been updated for 50 years plus. You know, we did use B.C.'s vital statistics legislation as a guide. It helped us in determining some of the pieces that we needed to modernize and harmonize as well.

I think that pretty well covered the questions, but if there's something that I may have missed, I'll make sure to cover it off in the next piece.

I move second reading.

Thank you.

[Motion carried; Bill 8 read a second time]

Bill 9

Tourism Levy Amendment Act, 2007

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

Mr. Renner: Thank you, Mr. Speaker. It's a pleasure for me today

to rise on behalf of the Minister of Finance and move second reading of Bill 9.

The purpose of this legislation is to make administrative changes to the Tourism Levy Act that will provide clarity and make it consistent with Alberta's other commodity acts.

You may recall that in 2005 the Tourism Levy Act was amended to reduce the tax rate on hotel accommodation from 5 per cent to 4 per cent. That legislation also included the introduction of a penalty for late filed returns. Well, last year, Mr. Speaker, it became apparent that the penalty unfairly penalized small hotel operators relative to larger operators, and in an effort to improve the equity among these groups, this deficiency was corrected immediately through an administrative policy in the waiving of excess penalties. Bill 9 provides the legislative authority for this policy change.

Also, since the Tourism and Levy Act was introduced, it has become apparent that the levy was being overcharged by some operators. Since there is no mechanism in the act to require or provide refunds to purchasers, Bill 9 also adds a mechanism allowing a penalty for any operator who refuses to refund an overpayment to a purchaser.

In summary, Mr. Speaker, the Tourism Levy Amendment Act, 2007, will provide necessary administrative changes, enhance fairness, and improve operator accountability. I urge all members to support Bill 9.

3:50

The Deputy Speaker: The hon. Member for Edmonton-Rutherford.

Mr. R. Miller: Thank you very much, Mr. Speaker. Again, it's my pleasure to rise this afternoon and speak to Bill 9, the Tourism Levy Amendment Act, 2007, in second reading. When this act was first introduced two years ago in this House, it received broad support from not just the Official Opposition but stakeholders across the province. I'm pleased to say that in consultation with stakeholders this certainly appears to be addressing concerns that hotel owners, operators, and such have in mind.

It is addressing some issues that have arisen since the implementation of the tourism levy, which, I might just point out, I did still refer to as a tax in 2005. I will continue to refer to it as a tax in 2007 because if it's walking like a duck and talking like a duck – and if my colleague from Edmonton-Decore were to hear me say, “smelling like a duck,” he would have a little bit of a chuckle. But, certainly, in all respects, if it looks, acts, and sounds like a duck, it's probably a duck, and in this case a levy is still a tax.

Mr. Speaker, just a couple of quick questions for the minister. I'm not sure whether or not the Environment minister on behalf of the Finance minister would be able to answer them today, but perhaps the minister's staff will be able to get some answers to us before we deal with this bill down the road in committee stage.

I'm just wondering whether or not the minister might be willing to share with this Assembly all amounts that were overcharged by operators to purchasers for the fiscal years 2000-2001 to the present time so that we would have a bit of a sense of just exactly how big an issue this is in the industry, if it's happening a lot or if it's a relatively minor thing. Perhaps it could be broken down into small, medium, and large operators so that we have a sense of whether or not this is a difficulty, as an example, for the small operators due to the amount of red tape that is involved.

We've talked a lot in this Assembly about the need for a red tape review commission. Certainly, the small operators find the administration, the collection and remittance of taxes like the tourism levy to be particularly burdensome. That was a concern that I raised two years ago, and it's still a concern, and I'm curious whether or not

that might be part of the reason why we have these situations arising in the first place.

I'm wondering whether or not the minister might be willing to share with us the department's administrative costs for enforcing the tourism levy. Just exactly how much is it costing to collect this tax, and is it cost-effective and efficient to be doing so? Those are, I think, relevant questions that would certainly help us in debate of this particular amendment. I'm wondering whether or not we could learn how many people are actually employed by the department to ensure that operators are collecting and remitting this tax appropriately.

Mr. Speaker, in 2005 when we cut the tax from 5 per cent to 4 per cent, the greater Edmonton hotel industry implemented a 1 per cent destination marketing fee. Those who are so inclined and go back and look at debate from 2005 will see that that was one of the concerns that I raised right from the very beginning: while we were reducing the amount of tax that would be collected in the form of this levy, there was absolutely no assurance that municipalities might not move in and institute a tax to make up the difference. In fact, we know that that has happened in a number of places. So I'm wondering whether or not the minister might like to elaborate on the impact of having reduced the tax and then having some municipalities jump in and scoop that up with destination marketing fees or other like taxes.

Mr. Speaker, I'd be curious to know whether or not the minister might like to comment on the report that was issued by the Minister's Council on Municipal Sustainability that recommends allowing municipalities to collect a tourism tax. Again, this is an issue that's relevant in today's news and with all of the discussion that's going on around municipal sustainability these days. We know that that's just one of several taxes. I think it's eight or nine taxes altogether that are being discussed as perhaps giving municipalities an opportunity to realize some predictable, sustainable funding over the long term. So that would be an answer that I'd be curious to hear from the minister.

I'm also wondering whether or not the minister has been lobbied by the hotel industry for a renewed deal on slot machines and, if that is taking place, whether or not he might elaborate to members of this Assembly on the progress of those discussions.

I'm wondering whether or not the minister would be willing to provide a breakdown of tourism funding levels by province. How does Alberta rank in terms of other provinces when we promote ourselves as a destination not only within the country but, of course, internationally?

The industry itself has benefited greatly from this levy. I'm pleased to see that it would appear to be doing what it was intended to do; that is, put more money into the hands of the industry for marketing themselves. I note that in the last fiscal year \$48.3 million was targeted to the industry for that purpose as opposed to \$24.3 million two years prior. So clearly there's nearly double the money in the budget for the purpose of marketing that industry and marketing Alberta as a destination, as I mentioned, both nationally and internationally.

But the question, then, would be: how can Albertans be confident that we're actually getting value for that money? What sort of performance measures has the minister done to ensure that the money is being used as it was intended to be used? We know that they're getting more money, which was the whole purpose for passing the Tourism Levy Act in 2005. We know that they're getting the money that was intended for them. Now, how can we make sure that in fact it's being used the way that it was intended to be used and that we're getting good value for those tax dollars?

Mr. Speaker, I think I'll save the rest of my questions for the committee stage, when we get into a little more detail. But,

certainly, at second reading those are the questions that I have top of mind, and I look forward to hearing further debate and look forward to responses from the minister or the mover when we get to the committee stage. Thank you.

The Deputy Speaker: The hon. Minister of Municipal Affairs and Housing.

Mr. Danyluk: Well, thank you very much, Mr. Speaker. I would just like to get up and say a few words, I suppose, mostly on clarity when we talk about support for municipalities. First of all, I want to say that presently municipalities in Alberta receive approximately \$723 million for support within their communities. That is not including the \$600 million that they do get from the Alberta municipal infrastructure program. I want to also comment that that is support that helps municipalities in a direct way, which does not include the support that not only my ministry but other ministries have.

Also, Mr. Speaker, I would like to talk about the minister's council for a second. The minister's council is a body of four individuals, which comprises the mayor of the city of Edmonton and also the mayor from the city of Calgary, the president of the AAMD and C, and the president of the AUMA. There were a number of recommendations. In fact, 12 recommendations were given to our ministry. I want to emphasize that they were recommendations to this government and that this government is looking at those recommendations, but clarify that they are theirs.

4:00

The Deputy Speaker: May I remind you, hon. minister, that we are debating Bill 9, Tourism Levy Amendment Act, 2007.

Mr. Danyluk: I understand, Mr. Speaker. I was just prompted by some of the discussions by the hon. Member for Edmonton-Rutherford and his comments, which I thought were led a little astray, so I wanted to make sure that they were clarified.

The Deputy Speaker: Section 29(2)(a) is not available on the first and second speakers. I assumed you were debating the bill.

The hon. Member for Edmonton-Beverly-Clareview.

Mr. Martin: Thank you, Mr. Speaker. I thought the hon. minister was going to go on for some length. I was actually enthralled by it, and I was hoping that he would go on longer.

Mr. Danyluk: I could speak longer.

Mr. Martin: Please do. I, on the other hand, will be short, as usual.

Mr. Speaker, the bill obviously makes total sense. It seemed that some people were, to put it bluntly, getting ripped off and also the Treasury seemed to be getting ripped off, so this bill represents, I guess, a necessity. I think the minister said that they'd had to do it by policy, and now we're confirming it by legislation so that we have a way to deal with this.

I guess that the more important thing is that it looks like overpayments were made by purchasers of hotel accommodations, and then, as I say, the levy was not remitted back to the ministry. I'm sort of interested because I'm wondering if there are lessons here for the Finance department. If this is happening to this so-called levy of money coming in to the Treasury, are there lessons here to be learned on some of the other aspects of what we're doing in terms of the Treasury?

I ask that question because if it's happening in one department,

Mr. Speaker, it seems that it could quite likely, in budgets over \$30 billion, be happening in other departments. I'm wondering if the minister, when he's here, could allude to that, whether they see this as just an isolated case, which I doubt, or whether we have some other serious problems, and whether this could be used as a model for dealing with that.

Along with that, Mr. Speaker, I wonder what sort of money we are talking about, if they have any estimation of that. For instance, how many operators have defaulted on levy payments, and how many people have had to be reimbursed for the levy overpayment, and how much money didn't go into the Treasury during that time before the policy came in? Clearly, we had a problem here, and it's hard to tell, you know, how serious a problem it was.

Again, as I say, it'd be hard to say that we wouldn't support a bill when people were being ripped off and the Alberta Treasury was being ripped off. It seems to me that you'd pretty well have to support the bill.

I want to repeat. I wonder if there are some lessons here that we can learn in other aspects of government collection, whether they're called levies or taxes or whatever. Is this really just an isolated incident, Mr. Speaker, or does this show that we have some serious problems in Treasury and in other areas? I'd be interested in the minister bringing us up to date on this at some point.

Thank you.

The Deputy Speaker: Hon. members, Standing Order 29(2)(a) is available for questions and comments.

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

Mr. MacDonald: Thank you very much, Mr. Speaker. Again, Bill 9 is interesting. When we look at this, certainly the highlight appears to be a reduction in the late filing penalty for hotel operators or owners. Now, in some of these cases where there were late filings, as I understand it, the fines were exceeding the actual amount owing.

We are looking at also adding a judicial collection provision so that the province can legally go after companies failing to pay the hotel tax. I don't know what kind of a problem this is. We could look at this and say that it's primarily a housekeeping piece of legislation. I think it's more than that. We only have to look at the consolidated financial statements of the province, and when we do, we also have to be mindful of the fact, as other speakers have indicated, that we reduced the hotel room tax in 2005 with Bill 21, that was introduced by the hon. Member for Calgary-Lougheed. We saw the reduction in the hotel tax from 5 to 4 per cent, and according to the hon. member at that time and in the government press release, this change represented forecasted savings of \$11 million annually in costs for guests in Alberta accommodations.

When we go forward to the consolidated financial statements for 2005-06, it's interesting to note that for 2005 the tourism levy, or the hotel room tax, collected \$61 million. The budget for the following year anticipated that there would be a \$10 million or almost \$11 million reduction, that there would be \$50 million collected, but the actual amount collected in 2006, according to the government's own documents, was \$58 million, so the savings were not as significant as we had first been informed. Now, perhaps, Mr. Speaker, in all fairness, it was an increase in the number of hotel rooms sold. That may or may not have been the case, but it's worth noting that the savings that originally were anticipated certainly are not reflected in the budget numbers that have been presented.

Now, that's a lot of money, \$58 million, and many people have been promoting the idea of using that money to support a stand-alone ministry, a ministry of tourism. That was a notion that Mark

Norris had in the leadership race last fall, but he didn't win. You know, he didn't even make the cut to the second round of the voting, so perhaps that tells us why he didn't win: there's not a will to have a stand-alone tourism ministry.

A significant pool of this cash – I'm told up to 75 per cent of it, Mr. Speaker – is being used to promote and market Alberta hotels through tourism promotions. I would like to get an update in the course of this debate on whether or not that will continue.

The hon. Member for Edmonton-Rutherford was talking about municipal revenue sources and the fact that there was a drop in this tax. With this Bill 9, what would be the future? If we have a look at the report to the minister of municipal affairs that was presented on March 5, 2007, municipal revenue sources, one of the recommendations, of course – and I think we're going to get some announcements on this in the budget. I fully expect there to be an amusement tax in the budget for municipalities. I'll be surprised if there is not.

4:10

Now, on this tourism tax, if we're using it and we're going to continue to use it to promote the industry in Alberta, that's fine. But is there going to be room here for the municipalities? The hon. minister was starting to talk about that earlier, but I wasn't quite sure what he meant. Certainly, Mr. Speaker, when we look at this bill, I think it should be supported by all members of this Assembly. But in review, if we don't need the revenue stream to promote tourism, perhaps it's time that we should have a good look at maybe reducing the tourist tax even further or eliminating it completely.

Thank you.

The Deputy Speaker: Hon. members, Standing Order 29(2)(a) is available.

Seeing none, the hon. Member for Lethbridge-East.

Ms Pastoor: Thank you, Mr. Speaker. I wish to speak today on Bill 9, the Tourism Levy Amendment Act, 2007, sponsored by the Minister of Finance. This, I believe, is a very small piece of a larger problem and actually crosses between two ministries: Finance and Tourism, Parks, Recreation and Culture.

There are 17 organizations in this province that market tourism – they're called destination marketing organizations – which appear to be run on grants, not sustainable dollars, from the dollars that are raised by the 4 per cent on the tourism levy. This bill rightly addresses the problems with the fair collection of the dollars owed to the tourism levy. However, I hear complaints that Travel Alberta is insular and autocratic and that not all tourism organizations are, so to speak, in the loop.

In Lethbridge we have one of the oldest and largest destination marketing organizations in the province. It's called Lethbridge/Chinook country/southwest Alberta. They do an amazing job with the little funding that they get, and they have very dedicated staff and volunteers, led by their able general manager, Kimberly Lyall.

It is felt that tourism, at \$5 billion, is Alberta's fourth-largest industry, but with a few changes and some attention from this government this could easily be moved into the \$10 billion bracket. There is in the world today a particular interest in ecotourism and, certainly, in agricultural learning tourism. Tourism is especially important to our struggling Alberta rural communities. Without changes many current opportunities in this tourism area will be lost.

Apparently, these destination marketing organizations and other tourism suppliers were not the only ones who felt that there was a problem in accountability and the controls within the industry. The government itself commissioned a report to identify the gaps in

accountability and the controls that exist in the current tourism framework. The report was to be released to the tourism industry for general discussion and consultation. This report was named the Leitch report. It is finished but, not surprisingly, has remained on a shelf in some secret place and, hopefully, has not been shredded. It has never been released, and the problem still exists.

My questions would be: these housekeeping amendments come from where? Did they come from the Leitch report? If so, again it looks like some backroom decisions were made to bring these amendments forward. As I stated in the beginning, this is a small – and a very small – part of a very big picture. But I believe that until the Leitch report is released to the public and to the industry, we will never know why these amendments came forward, where they were made, and what information they were actually based on. These are questions that I would look forward to the answers to in Committee of the Whole.

Thank you.

The Deputy Speaker: Again, 29(2)(a) is available.

Seeing none, are there others who wish to participate in the debate?

Does the hon. Deputy Government House Leader wishes to close debate?

Mr. Renner: No.

[Motion carried; Bill 9 read a second time]

Bill 10

Horned Cattle Purchases Act Repeal Act

The Deputy Speaker: The hon. Member for Cypress-Medicine Hat.

Mr. Mitzel: Thank you, Mr. Speaker. I'm pleased to rise today and move second reading of Bill 10, the Horned Cattle Purchases Act Repeal Act.

This bill will repeal the Horned Cattle Purchases Act. The objective of the act was to promote dehorning of cattle prior to public sale to prevent damage to cattle during transport. The objective has been achieved, and the act is no longer required. Producers no longer need an incentive because current commercial practices and market expectations promote dehorning. Producers now use modern methods, such as dehorning paste, et cetera, to ensure that horns do not grow back.

[The Speaker in the chair]

The Horned Cattle Purchases Act came into effect on March 31, 1938, and levied a \$1 penalty on each head of horned cattle at the time it was purchased in Alberta. The livestock dealer incurred this penalty upon purchasing horned cattle from the producer. Nearly all cattle breeds were horned varieties. Polled or hornless cattle varieties were not the norm. The penalty amount was deducted from the purchase price to encourage the producer to dehorn cattle prior to public sale.

In 1939 the scope of the act was extended to persons shipping cattle out of the province. The funds were deposited in the horned cattle purchases act trust account. The trust account was used for various initiatives to improve livestock in the province and any other livestock work that benefited producers directly. The trust account also funded the administration work for livestock improvement.

The penalty was cancelled in February 1972, and the act has been in essence suspended since that time. On March 31, 1972, the trust

account contained \$1,915,625. Expenditures from the trust account occurred from its inception in 1938 and over the following years. The monies were used to fund numerous programs and services for the benefit of the livestock industry. These programs included a warble fly control program, a University of Alberta feed handling facility, and an Alberta Cattle Commission cattle marketing information service. The funds were also used for research in disease controlling grants to agricultural associations and postsecondary institutions. The trust account, Mr. Speaker, ceased operations on March 31, 1994, and the remaining assets of \$1,551 were transferred to the general revenue fund on that date.

Before I conclude, Mr. Speaker, I wish to confirm that a stakeholder consultation letter and discussion paper were distributed in August 2006 to 87 stakeholders, including industry associations, auction markets, assembly stations, livestock transporters, Saskatchewan and British Columbia officials, and the Livestock Identification Services Ltd. The majority of stakeholders expressed support for the act's repeal.

Thank you, Mr. Speaker.

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

Mr. MacDonald: Thank you very much, Mr. Speaker. It's a pleasure to rise and participate in the debate on Bill 10, the Horned Cattle Purchases Act Repeal Act. I must say to the hon. Member for Cypress-Medicine Hat that that was an excellent overview of the bill at this time. It reminded me very much of some of the historical vignettes that I have heard in this Assembly recently. Certainly, I would like to say at this time that I would support this legislation. Hopefully our cattle industry will continue to prosper, and we will all benefit economically from the cattlemen and the cattlemen's association.

Thank you.

4:20

The Speaker: The hon. Member for Edmonton-Beverly-Clareview.

Mr. Martin: Well, thank you, Mr. Speaker. I was wondering why a major bill like this wasn't carried forward by the minister of agriculture. Then I looked over and I saw the previous minister of agriculture, and I thought: why didn't he bring this forward? It's under new management, but it's a bill.

Again, thank you for the history lesson. You did an excellent job. You didn't even smile once. You were straightforward. They certainly had the right person bring it through.

Mr. Speaker, the only thing I regret is seeing a bill of this importance not being – it seems to me that this would have been better than the lobbyist registry for Bill 1, and I don't know why the Premier didn't bring it through. Anyhow, I guess we're getting rid of a useless act that we don't need. I know that you've been lying awake at nights worrying about this, but we, too, are going to support the bill.

Thank you.

The Speaker: Well, Standing Order 29(2)(a) is available before I recognize the hon. Member for Edmonton-Rutherford. Questions? The hon. Member for Edmonton-Rutherford.

Mr. R. Miller: Thank you very much, Mr. Speaker. My pleasure to participate in debate in second reading on Bill 10, the Horned Cattle Purchases Act Repeal Act. I wouldn't want to let this opportunity go by without jumping up and participating.

Mr. Speaker, a couple of really quick questions. I don't think there's an awful lot that can be said about this particular bill, but I do

have a couple of questions. I suppose the first would be either to the sponsor or to the minister about how it came to light that this bill would be one that would come forward. I know that it actually did come to us first last year in the miscellaneous statutes amendment act, but I'm curious what the process was that brought this particular one to light because we know for a fact that occasionally we do see bills like this that come to the House that are outdated, that are on the books and are no longer needed.

None of us will ever forget the Vegetable Sales (Alberta) Act Repeal Act, which we had a certain amount of fun with. There was some very humorous debate. I'd like to go back and reread it, actually. It was quite comical, but at the same time it dealt with a very serious issue around the marketing of vegetables in this province. Particularly in the area around Edmonton there's a long and proud history of vegetable sales, growing, and marketing, so it was actually quite important to have had that debate.

And as we all know, of course, there's a long and storied history – and the Member for Cypress Hills-Medicine Hat shared some of it with us – around the Horned Cattle Purchases Act.

Mr. MacDonald: You've never been on a cattle drive?

Mr. R. Miller: I have never been on a cattle drive, in response to the hon. Member for Edmonton-Gold Bar, but it is on my list of things to do, I can assure you.

Anyhow, that would be my first question to either the sponsor or the minister: what in particular elevated this bill to your attention, that caused it to be before us today? Further to that, then, would be: what steps is the minister taking in his department to identify other bills that might also be out of date or not any longer necessary, not any longer in current use? Can we perhaps see more of these bills in front of the House?

Again, I refer to the need for a red tape commission. One of the really neat things the B.C. Legislature has done with their legislation surrounding red tape is that for every new regulation that the government introduces, they have to eliminate a regulation. At one time, actually, two regulations had to go out when a new regulation came in. Perhaps that's something that this Chamber should consider. Maybe we should have a policy that for every new bill that this Assembly considers, we should be looking for more of these horned cattle purchases acts and dumping those off the books in a spirit of good housekeeping.

So those would be the questions that I have for either the sponsor or the minister in second reading. I certainly hope that there is more of this spirited debate because I am quite enjoying listening to the various thoughts on this act.

Thank you, Mr. Speaker.

The Speaker: Standing Order 29(2)(a) is available. The hon. Minister of Agriculture and Food.

Mr. Groeneveld: Just in response, Mr. Speaker, maybe I could clear up a couple of issues here at the same time and answer both questions from the hon. member too. Some bills are quite onerous, and it's just maybe too much to handle by yourself, so you hand them off. So that's partly my reasoning. I watched my predecessor last year struggle with his bill, and I didn't want to go through that.

I guess, in comment to what you were saying, it's just that these are the types of acts that are there. They should be cleaned up. I suspect that probably every ministry has one or two of them, so just in respect to cleaning up the books a little.

The Speaker: The hon. Member for Lethbridge-East for the debate.

Ms Pastoor: Thank you, Mr. Speaker. I, too, want to partake in this very interesting repeal act. I'm really quite – what's the word? – perhaps “disappointed” that this is going through. I do have just a couple of questions. One of them is that if we're doing all this dehorning, where are we going to get the horns to put on the front of our trucks? I so miss some of our trucks with the gun racks on the back and the horns on the front. So it's a question that I would like an answer to.

The Speaker: Standing Order 29(2)(a) is available.

Dr. Brown: Well, in reply to the hon. Member for Lethbridge-East, I think the thrust of this bill is to remove a disincentive to having horned cattle. If anything, there should be more horned cattle present in the province to put on her bumper.

The Speaker: Would there be additional speakers on this bill?
Shall I invite the Member for Cypress-Medicine Hat to sum it up?

Mr. Mitzel: Thank you, Mr. Speaker. In fact, thanks for all of the fantastic interest in this particular bill. It is a housekeeping bill, and it certainly has not been in use since 1972. The reason it wasn't repealed in 1972 is that it was felt at that time that if for some reason there was going to be an interest in or demand for horned cattle again, perhaps things should be left in place. That's why it was left. It wasn't taken out when it was no longer required in '72.

With regard to the horns, most of the horns now are fake. They're fibreglass; they last longer.

With that, Mr. Speaker, I call the question.

[Motion carried; Bill 10 read a second time]

Bill 12

Income and Employment Supports Amendment Act, 2007

The Speaker: The hon. Member for Calgary-Nose Hill on behalf of the Minister of Employment, Immigration and Industry.

Dr. Brown: Thank you, Mr. Speaker. I'm pleased to rise today on behalf of the Minister of Employment, Immigration and Industry to move second reading of Bill 12, the Income and Employment Supports Amendment Act, 2007.

Last winter the government settled a class-action lawsuit regarding how we handle debts in cases where a person is overpaid their assistance. At that time the commitment was made to take another look at our legislation and policies to see how we could respond to some of the concerns. The changes being proposed in this bill include protections for income supports clients and help ensure that our processes are more transparent. These changes are in line with the changes to the AISH legislation undertaken last session by the Department of Seniors and Community Supports. In addition, the proposed changes align with two of the government's mandated priorities: governing with integrity and transparency and improving Albertans' quality of life.

4:30

When the Income and Employment Supports Act was passed in 2004, it was intended to clarify the various ways that the government could collect debts owed by social assistance clients when their assistance was overpaid. For example, a debt could be incurred if a client reported changes in income too late for the cut-off time for their benefit. Although the intent was always clear, the legislation remained ambiguous and does so today. Whether automatic deductions could be made to a person's income support without first

getting a court order was not clear. As a result, we need to clarify the government's original intent as well as our current practice, where going to court is not required before a debt can be collected.

Automatic deductions from monthly assistance are the most common method of dealing with debts in almost all other direct-payment programs. These would include all other provincial social assistance programs and federal programs such as employment insurance and the Canada pension plan. This amendment act would ensure that any amounts already collected by cheque deduction under the current legislation would be considered validly collected even though the legislation was ambiguous.

People can go to independent panels to appeal decisions on their income support. For example, if the director of income support determines that a client has been overpaid, the person can appeal the decision, how much they owe, and how fast it has to be paid back.

The independent panels currently cannot decide that an overpayment does not have to be repaid; only the minister currently can. We want to make a change that allows the panels to determine this so that an overpayment does not always become a debt to the government. This would allow for a more independent and transparent process. At the same time, we will determine in regulation the circumstances that would warrant when repayment does not have to be paid. For example, the appeal panels could determine an overpayment does not have to be repaid when someone other than a client such as a landlord has benefited from the overpayment. The minister still has the ability to waive debt under \$25,000 when it is in the interest of the public to do so pursuant to the Financial Administration Act.

Some income support benefits are issued on condition that they are repaid; for example, when people get help to deal with an immediate need like a payment on a utility debt. Even though there has been no policy change, an amendment is needed to clarify that money owing in circumstances like these continues to be treated as a debt.

We're also recommending that there be a change to the legislation to make it clear that the government does not start collecting on an overpayment until a client has had a chance to appeal. This is our current practice right now, but it is not enshrined in legislation. Similar changes have already been made to AISH legislation in this respect.

We have also added in this bill a section to make it clear when a right-to-appeal notice is considered received by a client. This will make it easier to determine the beginning of the 30 days that a person has to appeal their overpayment notice. If clients can satisfy the appeal panels that they did not receive their notice, causing them to miss the appeal period, they will still be able to proceed with their appeal. This reflects the current practice.

In the appeal provisions of the bill we are also confirming that the appeal panels have the power to dismiss an abandoned appeal. The current legislation does not specifically address this. In some cases clients may start an appeal but not follow through on it; for example, they may not show up for the hearing. It must be clear when an appeal has been dealt with so that administrators know when to start collecting a debt.

The Income and Employment Supports Act governs overpayments and debt collection from AISH clients until the new AISH act is proclaimed. This is expected May 1, 2007. We've consulted with the Minister of Seniors and Community Supports to ensure that there is a smooth transition no matter which act takes effect first. For example, debts accrued under the AISH program are collected under IESA until the new AISH act takes effect.

In 2004 we brought in a new offence provision to deal with incidents such as fraud, so there is an avenue other than the Criminal

Code with which to pursue a case of fraud. That way we don't always have to criminally prosecute our clients. We're already experiencing challenges with becoming connected to the labour force. A criminal record would just put another barrier in front of these people when they try to get jobs.

We're proposing to establish a prosecution time limit of up to two years after the offence is committed or discovered so that fraud investigators have time to investigate and bring a case before a court. Since the act is currently silent on the time limit, a limit of six months is currently applied as a matter of policy, which is insufficient. This two-year time period is consistent with the time periods for prosecuting offences in other acts such as the Environmental Protection and Enhancement Act.

The government has a free service that helps single parents get support. A change to the Income and Employment Supports Act will give the government the legal authority to provide child support services to all income support clients. Previously, apprentices and students funded under employment insurance were not governed under the authority of the act. Now more people will be able to benefit from child support services to help them stay independent.

In conclusion, Mr. Speaker, these changes to the act will strengthen the legislation to ensure that it will continue to serve Albertans well.

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

Dr. B. Miller: Thank you, Mr. Speaker. I rise to speak in second reading on Bill 12, Income and Employment Supports Amendment Act, 2007. I thank the hon. Member for Calgary-Nose Hill for his good summary of the necessity of this bill. I think it's something that needs to be supported. It's mainly to clarify the repayment process and also deal with other issues like the appeal panels and child support and so on.

Of course, it's necessary that the government move to put its house in order in terms of the overpayment process because of the recent class-action suit against the province, as the hon. member has mentioned, when so many millions of dollars had to be paid out for alleged illegal deductions of social assistance and disability payments. So tightening up the process seems to be something that's quite necessary.

Granted, there are problems with people being dishonest about their assets and so on and misrepresenting the facts, so there has to be some sort of process of recovering debts that have been incurred and are owing to the government. This bill deals with that process of overpayments. It deals with the whole issue of child support, which seems to be a good thing, moving in the right direction. It deals with the appeals process, which seems to be important to get clear.

Now, I'll just read some issues that I think need more clarification. You know, in general I find a bill like this quite distasteful to have to deal with because it has a punitive kind of direction to it. I understand that people do not represent the truth and so on, but I mean, we're talking about people who are living in poverty here, who need income support. I think statistics would indicate that as a group they're no more inclined to engage in fraud or misrepresenting the truth than any other groups, including groups of lawyers or doctors or teachers. What we need is to have in place not just a system that's punitive and trying to get back money that's owing but also a system that ensures that people who are living in poverty have all the support systems that they need.

4:40

We've heard from stakeholders and people involved in working with people in poverty that the appeal process has been quite flawed.

It's very difficult for somebody who doesn't have the education to enable them to have the nature to go after what they need. The appeal process is very difficult, and in most cases it's important that they have some sort of person go with them to the appeal process to help them. It seems to me that the well-being of the individual must have priority in an appeal process.

When you look at this bill – and I guess we'll look at it in committee more closely – it provides the process where the director's decision concerning a person's right to appeal is communicated to the person in a number of ways, as if this is sort of covering all those possibilities: "if it was sent by registered mail or courier" or "if it was sent by fax or other electronic means." Well, Mr. Speaker, people who are under the income and employment supports are not people who are likely to have a fax machine or even have an electronic means, a computer available to them. If they even have a Hotmail address, they probably don't have access on a regular basis to a computer. In fact, they might not have a regular address too. That's a real problem. So I think that this is kind of legalistic. I mean, it's sort of covering ourselves in terms of the appeal process.

Mr. Speaker, it seems to me that people working on the front lines are social workers, people in social agencies. They know the people, where they can get in contact with them. There should be some sort of more human process of being able to really reach people to let them know what their rights are. This is basically what this is all about. A person has to know that they have the right to appeal, but if we don't go out of our way through the agencies that exist to enable those people to know what their rights are, then they're not likely to fulfill a 30-day requirement. I don't know. I find the whole thing too punitive, too legalistic.

I really appreciate the fact that the appeal panels are enabled by this legislation to dismiss an appeal. When all the information is received about an individual who supposedly has defrauded the system, after it all comes to light, then the appeal panel could reverse the decision that was made. I find that's an excellent addition and needs to be here.

I think that in most cases this is kind of a housekeeping bill, changing things to bring it in line with the AISH Review Committee's proposals and also the problems with the lawsuit. I regret that we don't receive a bill that really deals with the heart of the issue concerning people living in poverty. It's not the question of fraud and misrepresenting the truth and so on. The problem, if we're going to deal with poverty in Alberta, is having adequate income supports and employment supports.

My distress is that the gap between the rich and the poor is getting larger and larger all the time. The Canadian Centre for Policy Alternatives reported that the average annual pay of the top 100 CEOs in Canada in 2005 exceeded \$9 million, compared to \$38,000 as an average for employees. So the average CEO received as much remuneration by 10:04 a.m. on New Year's Day as one of his employees will be paid for the whole year. Mr. Speaker, this gap in income between the rich and poor is getting larger and larger all the time and will have serious repercussions in terms of social cohesion in our society. It's coming, even in Alberta with all our wealth. So we need to take more seriously the whole issue of income support. The income support in this province is just not good enough.

Mr. MacDonald: Do you think it should be increased?

Dr. B. Miller: It should be increased. It hasn't been increased very much at all since the early '90s, when the initial cutbacks to social services took place.

I take with me whenever I can the printout of the financial benefit summary for people who are receiving income support. There are

a number of categories: able to work, not able to work, or learners. I mean, look at the numbers. It doesn't matter what you look at, whether it's able to work or not able to work. The numbers are just too low to enable a person to have a living wage, be able to exist, survive in our society. Especially the housing allowance, which is very, very low. I mean, for a single adult it's \$100 if you're living with relatives, \$120 for social housing, and \$168 for private housing. Well, you can't get anywhere in this society with that little money. With our rising rents and lack of accommodation I fear that our lack of attention to income supports just means that we're creating more homeless people in this province.

If we are really serious about helping people in poverty – and I know that the intention of the income support program as it is outlined by the ministry, the reason they tie it to work all the time and have these categories of expected to work or not expected to work, is to move people off social assistance into the work world, where they can earn money and get an income. But in order for that to happen, there have to be adequate supports all the way along the line.

I learned that through my travels with the government Affordable Housing Task Force. Whether you're talking about emergency shelters or whether you're talking about transitional housing or social housing or affordable housing, people need supports all the way along the line if they're going to move through that continuum into the housing market. Mr. Speaker, there's not enough attention to the fact that the supports have to go with the person when they move off welfare into the employment world. Health benefits seem to move, not for everybody but for some. They move as the person finds employment. Housing allowance does not and maybe should move with the person when they move from social assistance to the employment world.

It just distresses me that we are more concerned about punitive action for the few that take advantage of the system or do not report everything they're supposed to report and get punished because of that. We're more concerned about that than we are concerned about people actually being able to live with a living wage in Alberta.

[The Deputy Speaker in the chair]

The title of the act, income and employment supports, suggests that we need to actually support these people and move them along. I would prefer to have bills that deal with that. At least we could have a proposal to index the welfare rates, the rates for people able to work and not able to work, a market-basket approach, some way of attaching the rates to inflation and to a changing standard of living so that the decisions would not always be arbitrary.

Well, Mr. Speaker, that's all I want to say about this bill. In general, I think it's a housekeeping bill, and I would accept most of it. Maybe at the end of the Committee of the Whole we'll look more closely at particular parts.

Thank you.

The Deputy Speaker: Are there others? The hon. Member for Lethbridge-East.

4:50

Ms Pastoor: Thank you, Mr. Speaker. I am particularly concerned with this one, of course, because it does overlap into AISH and to all of the people that are presently living in poverty. They speak about the overpayments and that it can happen through the misrepresentation of facts by individuals or through bureaucratic errors. Then further on it says that if overpayments are based on false or misleading information provided by a financial administrator, that individual

may be held responsible for repaying the debt. I'm not sure that I understand exactly who they mean by a financial administrator. If it's someone in the government, is not the government responsible for this?

One of the other things that they are speaking of is to have people to go after to get the money that they are eligible for through child support. I certainly agree with that principle; however, in practicality many single moms are just holding their heads and certainly those of their children above water. Maintenance enforcement is backlogged, and often these women are unable to secure the dollars from deadbeat parents. Although the predominant number, of course, is women, there are certainly some men out there who are trying to raise their children minus the money that they actually should be getting from the mothers.

There are mechanisms to gain child support when the debtor is either unresponsive or does not have the financial resources to provide support, but as I've mentioned before, they are notoriously unsuccessful. We need additional support to be provided through this act to help the client come to an agreement with the former spouse or the partner or certainly the parent of the child in question and receive the support that they are owed. However, while that is happening, I don't believe that they should be denied the money that they need to live a life of dignity or, in fact, be able to raise their children properly.

I also believe that an impartial appeal process is very, very essential. It should not be appealed by someone within the department who doesn't necessarily have a vested interest but certainly would be looking at it, I believe, in a different light than someone who really is impartial.

Also, an attitude change on the front lines. I'm not saying that many of the people that work out there are not compassionate and don't feel for these people that they're dealing with, but a really good attitude change would go an awful long way to better cooperation between the government and the clients that are receiving the help. Many of them really do require that hand up. If that truly was the attitude that the former Premier loved to quote – hand up, not handout – then many misunderstandings of form filling-out and the process, which becomes very, very difficult, would be eliminated.

Many recipients feel that they are labelled cheaters before they even receive any dollars. Again, it's an attitude. Are there scam artists within the social system? Of course there are. Of course there are, as we all know. But do you know what? They are in every segment of society. We have an alleged scam artist at the moment at the very highest level, and he's currently in the courts in the United States. Again, he is presumed innocent until proven guilty.

The Nigerian telephone scam: you know that these scams, these kinds of things happen, but it truly is a very small percentage. Unfortunately, the majority often pay for that small percentage, but it doesn't have to be that way. Common courtesy and caring only take seconds, and it goes a long way. Often people have found, when they're dealing with government agencies of many kinds, that if they don't ask the right question, they don't get the right answer. I believe that government employees should be doing all they can to make sure that the right questions are asked.

I, like my colleague, also feel that the tone is very punitive and unfair. It has already been noted that in December of '05 the government did settle a class-action suit which involved \$100 million. Again, the government was accused of arbitrarily interpreting its own policies and legislation in order to recover overpayments as far as possible. I believe that it should be an impartial appeal process.

The definition for child and adult support services also makes clear that assistance includes any assistance or benefit included in this act or regulation. Some of the things that I have come across in my constituency are that people on AISH sometimes get an inheritance from a parent or someone who has died, and this is held against them. I think it's most unfair. I don't see that that part, amongst other things that can be sometimes given to people just as a present from someone who would like to help, should be held against them.

With those few words I would like to adjourn debate on this bill, and we'll continue this conversation in committee.

[Motion to adjourn debate carried]

The Deputy Speaker: Hon. members, before we proceed, might we revert briefly to Introduction of Guests?

[Unanimous consent granted]

head: **Introduction of Guests**
(*reversion*)

The Deputy Speaker: The hon. Member for Edmonton-Rutherford.

Mr. R. Miller: Thank you very much, Mr. Speaker. It's indeed my pleasure to have the opportunity to introduce to you and through you to all members of this Legislature a trusted friend, confidant, supporter, and someone who is no stranger to the body politic. David Peter Taylor is in the public gallery today. He is also, most notably, a page in the Senate of Canada, and he's home in the constituency of Edmonton-Rutherford visiting family for the Easter weekend. I would ask David to please rise and receive the traditional warm welcome of the Assembly.

head: **Government Bills and Orders**
Second Reading

Bill 21
Securities Amendment Act, 2007
(*continued*)

[Adjourned debate April 4: Mr. Pham]

The Deputy Speaker: The hon. Member for Edmonton-Rutherford, followed by the hon. Member for Edmonton-Beverly-Clareview.

Mr. R. Miller: Thank you very much, Mr. Speaker. It's my pleasure to rise and speak to Bill 21, the Securities Amendment Act, 2007, in second reading. I think the first comment that has to be made on this particular Securities Amendment Act is the question of whether or not, in fact, the minister responsible has been sending mixed messages on the position of the government of Alberta with respect to a single national regulator versus 13 securities commissions across the country.

The media was full of reports over the last couple of months quoting the minister as talking about being prepared to dismantle the Alberta Securities Commission, for example, if in fact we were able to come to agreement on a single regulator. He has spoken out about the need for Alberta to compete globally and to be part of a global community when it comes to securities regulations, yet at the same time or very shortly thereafter he was very vociferously supporting continuing to move towards the passport system that this bill enables. So there is, I think, some real question, some real doubt in people's minds as to just exactly what the position of the govern-

ment of Alberta is when it comes to a single regulator as opposed to the 13 individual commissions and the passport system that this opposition continues to enable.

One of the questions that I asked last year of the then minister and I think is relevant to ask again, Mr. Speaker, is: to what extent are we exposing Alberta taxpayers when we carry on with the development of this passport system and all of the meetings, all of the resources both in terms of time and dollars that are spent towards the passport system? Then what should happen if, in fact, all of this comes to a standstill and we come to an agreement on a single national regulator? How much have we lost in terms of time, money, and human resources preparing for a passport system that might never be fully implemented?

5:00

I never did receive what I felt was a good enough answer from the previous minister on that question, and I'm hopeful that this minister will be able to address that because I think it's a very real concern. If in fact we're sending mixed messages as to what the endgame is here and yet at the same time proceeding to spend an awful lot of money developing a system that might never be put into place, then I think that should cause concern to all Albertans and is relevant to be asked in the Assembly today.

Mr. Speaker, I know that we talked an awful lot in this Assembly over the last couple of years about the Alberta Securities Commission itself. When there were serious allegations about wrongdoing at the commission, one of the things that the Official Opposition talked about and pushed for in this Assembly as well as outside of it – and unfortunately we still see no sign of it coming forward – is some sort of whistle-blower legislation to protect employees of the Alberta Securities Commission and, for that matter, all public employees when it comes to identifying inconsistencies or instances of wrongdoing in their workplace. I note with some interest in the Auditor General's report from this past fall several recommendations in respect to the Alberta Securities Commission that the Auditor General has made, some of which the government is in agreement with and accepting and some for which they provide lengthy explanations indicating their reasons for not being in acceptance and reasons why they won't necessarily be complying with those recommendations in the near future.

I think this brings back the whole question of how effective and how efficient the Alberta Securities Commission has been for Albertans historically. Certainly, it would seem as if a lot of the issues that were raised by the opposition and by inside whistle-blowers two years ago have been addressed. I think we're back on track and managing billions of dollars in investment in this province, and that, of course, is a good thing. But clearly those questions haven't gone away in the Auditor General's mind, and I think it's fair to say that they haven't gone away in my mind either.

Mr. Speaker, I think that for the time being I'm going to leave my comments at that. Certainly, I have many questions when it comes to the intricate details of this Bill 21 when we get to it in committee stage. So I think I'll leave it there for now.

As I say, I think that Albertans in general and certainly those stakeholders that I've spoken to are looking for some clarification from this government and this minister in terms of where we're ultimately going with securities regulation in Alberta. I guess that would be my biggest single question: have we made a decision once and for all that the passport system is what we're supportive of? Are we going in the direction of a national regulator? Is this sort of a stopgap measure in the interim? We really don't know. The minister's comments, at least in the media, haven't done anything to address those concerns. In fact, if anything they've actually left the question even more open and caused even more confusion.

So I'm hopeful that we can hear some answers to that and, as I say, get into the details of the bill a little further once we get into the committee stage. Thank you.

The Deputy Speaker: The hon. Member for Edmonton-Beverly-Clareview.

Mr. Martin: Well, thank you very much, Mr. Speaker. I have a few general comments that I want to make about Bill 21. Certainly, a couple of years ago we had major discussions about how this Securities Commission was operating. I'll come to that, but I understand that the purpose of the bill is harmonization. I understand, having worked under the Securities Commission, that it makes some sense not to have 13 different people doing 13 different things. That's not the way money flows. It flows across borders. As a result, we called a long time ago for a national regulatory body, not a federal body but the provinces getting together and working on it.

But I have some concerns about this particular bill. It seems to me that when we look at it, they're clarifying the investigative power of people appointed by the executor director and other things. I guess that's all well and dandy. But when I start to look at parts of the bill, my analysis quickly is that they're weakening the oversight ability of the executive director. By enforcing oversight based on criminal proceedings in other jurisdictions, the bill effectively enforces and streamlines a passport system, Mr. Speaker. Well, it seems to me that what we're doing here is finding the lowest common denominator among 13 different jurisdictions in dealing with the Securities Commission. To me, a national regulator should not necessarily do that. We should be looking for laws that are fair and have some teeth to them. I see, for example, that the executive director is cut down in the types of things that he can do, I understand, because some other jurisdictions don't have that.

Now, again, I want to stress that I believe in harmonization, but I don't think a race to the bottom to do this is the right way to go. I would rather see the 13 jurisdictions get together with a national regulator and have some standards that make some sense. I'm hoping that if I'm wrong about this, the minister will talk about that. But when I look at the key section that repeals documentation of a registered dealer acting as a principal, repeals section 95, page 7, repeals the invested interest disclosure of the registered dealer on securities being offered for sale, number one, that worries me.

On section 105, page 9, it repeals the executive director's ability to oversee and regulate sales information. I don't understand why we would have to do that. I understand that perhaps some other jurisdictions don't have that, Mr. Speaker. We always say in this Legislature that we're the best, you know, in the country or the best here and there, but all of a sudden we're watering down even standards that we had here with our Securities Commission that admittedly in the past maybe didn't work so well. I wonder about that.

It seems to me, Mr. Speaker, that rather than the group of 13 not being able to get together and the only way they can harmonize regulations is by sort of going, as I said, to the lowest common denominator – it's not what I think people would expect. I just look to our neighbors to the south. I mean, they are going in the opposite direction. They're making, sort of, corporate and business ethics a high priority. They're making their laws and regulations much stricter. It seems to me here that with this particular bill, because we want to harmonize, again, to make everybody happy, we're going the other way. I don't think that's what people really would expect from the Securities Commission.

As I say, with the 13 people rather than harmonizing to the lowest common standard, we should say: okay; let's work and get national

regulators, a national group, a national regulatory body, not a federal group but a national regulatory body, and work together, not with the lowest common denominator, but with laws that are fair but have some teeth to them.

5:10

White-collar crime is just as serious as any other crime, and I think we can learn the odd thing from our American neighbours. We should be looking, as they are, the opposite way and making sure that the laws and the rules are strict enough that people won't do it because surely that's what people expect if they're investing. They want people that they can trust dealing with their money.

As I say, I'm speaking somewhat from experience, having worked in the financial business under the Securities Commission here for a number of years. We always thought that it didn't make sense to have 13 different jurisdictions doing whatever. So my argument is not to not have harmonization, Mr. Speaker. That's not my argument. My argument is: let's do it right and have a national regulatory body with some laws that have teeth. I worry that this bill seems to be: okay; we can't get agreement, so we'll all lower our standards to the lowest common denominator, and then we can have a national bill. That just doesn't make sense to me.

Unless if I'm fairly off base about this, I'm hopeful that the minister or somebody will indicate that that's not the case. The Member for Edmonton-Rutherford said, "Well, if they're moving towards a national regulatory body, I would be the first one to cheer," but not if it's, as I say, to sort of cut down the rules and to have no teeth, the lowest common denominator.

So, Mr. Speaker, I'd be interested from the minister in second reading, before we come to Committee of the Whole, to understand where we are going with this because there are certainly some warning bells there for me that this is not what the public would want, especially after some of the fiascos we've had here in the past. I think people want laws with teeth when we're dealing with white-collar crime.

Thank you, Mr. Speaker.

The Deputy Speaker: Hon. members, Standing Order 29(2)(a) is available for questions or comments.

Seeing none, are there others who wish to participate in the debate?

Hon. Members: Question.

[Motion carried; Bill 21 read a second time]

Bill 22

Alberta Investment Management Corporation Act

(continued)

[Adjourned debate April 4: Dr. Oberg]

The Deputy Speaker: The hon. Member for Edmonton-Rutherford.

Mr. R. Miller: Thank you very much, Mr. Speaker. It is my pleasure to rise this afternoon and speak to Bill 22, the Alberta Investment Management Corporation Act, in second reading. On the surface this might seem like an appropriate thing to be doing, consolidating nearly \$70 billion in savings into one Crown-owned corporation and controlling the investment of that rather large pool of money. In fact, according to the government's own press release, it would make it the fifth largest pool of money in the country. But I think there are a lot of questions that deserve debate, and I'm not prepared at this point to lend my support, or otherwise, to this bill.

I think it's something that I look forward to hearing a lot more about from the minister and other members of this Assembly over the next several days as we debate it.

Probably the first thing that springs to mind would be issues surrounding the heritage savings trust fund and the management, or lack thereof, of that fund over the last many years, Mr. Speaker. Certainly, I'm on record, as is the Official Opposition, as having serious concerns about the manner in which that fund has been used, the manner in which it's been contributed to, the manner in which it's been invested, and to this day, in fact, the manner in which this government continues to rape profits out of it and dump that money into general revenue. That's probably one of my most serious concerns about it. This bill, unfortunately, doesn't address the fact that in the Fiscal Responsibility Act we still have legislation that mandates that after the fund is inflation-proofed – and that, I might point out, is something that we called for for many years and has only taken place just recently, thanks to the efforts of the Official Opposition, amongst others – and after administration fees are paid, every penny of profit from the heritage savings trust fund is returned to general revenue.

In today's economic climate, Mr. Speaker, I cannot imagine that there is an argument that would fly as to why we should continue to do that. It just doesn't make any sense to me at all. It doesn't make sense to anybody out there in Alberta when I go around the province. In fact, most people aren't even aware of the fact that we continue to do this. There may have been a good reason to do it in the 1990s as the government was charging ahead in its plan to pay off the provincial debt at any and all costs. There may have been a good argument to do it at that time. There certainly isn't a good argument to do it now. In an era of \$10 billion surpluses, I cannot imagine – and I don't think there's a member in this Legislature who could convince me of a good reason why we do that. So that is the first comment I would have in regard to the heritage savings trust fund.

Earlier this afternoon, Mr. Speaker, there was debate in this Legislature about the use of power walls in Alberta and the marketing of tobacco. It was mentioned in question period that the government continues to reap large profits and invest large, large amounts of money through the heritage savings trust fund – and I'm going to assume through other funds – in tobacco companies. Now, thankfully, there was pressure put on the government last year, and they agreed not to invest money from the cancer fund into tobacco companies, but that move has not been made with the other investments.

So I think it leads, obviously, to the discussion of whether or not we should have an ethical investment policy as part of this corporation. If this act is to be approved and passed in this Legislature, is there consideration being given for ethical investment policy? I haven't seen any indication of that yet. In the past we've been told that the fund managers' primary, overriding concern is returning the biggest investment return possible to Alberta taxpayers. That's not necessarily good enough anymore. I've raised all sorts of examples in the past as to various investments that might not be appropriate or might not be supported by the taxpayers of this province, and certainly tobacco is one of those.

I think that when you look, Mr. Speaker, at some other funds – the minister, when he moved second reading of this bill earlier this afternoon, spoke of the Ontario Teachers' Pension Plan. The Ontario Teachers' Pension Plan regularly outperforms the Alberta heritage savings trust fund. Maybe that's a good reason why we should consider doing this. The government talks in its press release about the need to increase the return on our investments, and they're telling us that this will enable us to do so. Well, as I said, we're regularly outperformed by the Ontario Teachers' Pension Plan.

In fact, Mr. Speaker, if you look at the numbers from Harvard

University, their fund, which, I will be quick to point out, actually has an ethical investment policy as part of the fund, regularly outperforms our heritage savings trust fund as well. So I think there is good argument for having a close look at the way our funds are invested and managed. I would argue that there's also, not just from a moral point of view but also from an economic point of view, a good argument to look at the idea of an ethical investment policy as well.

Another fund, Mr. Speaker, that has a very strongly worded ethical investment policy is the Norway petroleum fund, which has been raised many times in this Legislature and now sits well in excess of \$200 billion, a fund that was started only in 1996. That fund has an ethical investment policy and performs incredibly well. So, again, I think it's time that this government moves itself into the 21st century and looked seriously at where we're investing those dollars, and if this legislation will make that so, then I suppose that would be a good thing.

5:20

Questions around the governance of this fund and the directorship of this fund certainly would cause, I think, any reasonable person to look at it and wonder how those people are going to be named. The government indicates in a briefing document to myself that the fund directors would consist of the deputy minister and nine other individuals appointed by the Lieutenant Governor in Council and that the Lieutenant Governor in Council would also appoint the chair of the corporation. Well, we know, Mr. Speaker, that that means cabinet, the Premier are going to directly be appointing these people. What are their qualifications going to be? We don't know. That's not spelled out in here.

I think that it raises a lot of questions about political partisanship. We know that now there is a review panel that's looking at the agencies, boards, and commissions across the province and how people find themselves appointed to those boards. Hopefully they'll come back with some really solid recommendations that will ensure that the people that would find themselves named to the directorship to this corporation would be worthy individuals.

Another issue that is timely in relation to the discussion of incorporating another Crown corporation is the TILMA agreement that went into effect on April 1 of this year. We talked about this in the House yesterday, Mr. Speaker, when we were debating the government's motion regarding the continuance of the Alberta Treasury Branches. Although the Finance minister didn't speak to it, when I mentioned the fact that the TILMA agreement would clearly have some major ramifications on the operation of the Alberta Treasury Branches, the minister sat there and nodded his head.

So we know for a fact that that is true, and without any question, obviously, this corporation would also be impacted largely by the implementation of TILMA. I'm guessing that that wouldn't take place in this case until 2009, based on what I've learned of the TILMA agreement. Nevertheless, it is a factor. I'm wondering whether or not the minister can share with us his thoughts on that and how prepared we are in terms of developing this legislation to make sure that it will be in compliance with TILMA, that we won't have to be back here in another year and a half debating amendments to this legislation because of the ramifications of TILMA and so forth. So I think those are relevant questions as well.

Mr. Speaker, I know that there are others that are anxious to speak to this bill, so I'm not going to take a lot more time right now. Actually, I am going to take just a little more time. I did ask some questions of the minister in supplementary debate, and I've not heard an answer to those questions yet, so I'm going to ask them again, put them on the record again. I think it's worthwhile to do so.

In supplementary estimates, Mr. Speaker, the government asked for and received in excess of \$7 million to reimburse a number of public-sector pension plans, research endowment funds, the scholarship fund, and some other minor funds for investment losses. Now, I asked a question during supplemental supply debate, and it's worth repeating. In this current economic climate, when the heritage savings trust fund is realizing somewhere between 5 and 7 per cent and other funds are returning 8 and 11 per cent and my own RSP fund, thanks to good management last year, I think is averaging 21 or 22 per cent . . . [interjections] Obviously I'm doing a better job than some people on the other side are because they're sounding like they're a little jealous over there. The point is that in this current economic climate we have, by the government's own admission, a number of funds that lost at least \$7 million. I asked the question: what were the ramifications? Were there fund managers that were fired? How did these funds manage to lose money in this economic climate? I've not heard an answer to it, but I would like to know.

I suppose an obvious question then is: is this bill in response to the fact that a number of public service pension plans and research endowment funds and scholarship funds were losing money? I've not heard an answer to that yet either. I asked that question last week as well. I think it's relevant for people to know. Why do we have funds that are losing money at a time like this, and what steps are we taking to make sure that that doesn't happen? Maybe this is the answer to it. I don't know, but I think it's a relevant question. I hope that at some point the minister or someone on his behalf will answer those questions because, again, Alberta taxpayers deserve to know. If funds are losing money in this current economic climate, something is wrong. Something is clearly wrong. What are we invested in that's losing money? I can't imagine.

Mr. Bonko: Tobacco.

Mr. R. Miller: I don't think tobacco is losing money. I'm not sure what it is, but it certainly causes one to wonder, and I'm looking forward to some answers to those questions, Mr. Speaker.

So, as I said, I'll cut my comments a little bit short and allow others to speak to this. I look forward to further debate, and as I say I really do look forward to some answers to those very pertinent questions.

Thank you, Mr. Speaker.

The Deputy Speaker: The hon. Member for Airdrie-Chestermere.

Ms Haley: Thank you very much, Mr. Speaker. I just wanted to make a few comments with regard to the potential for this bill as it goes through the process. There are a couple of things that I wanted to try and clarify from my perspective as a member of the Endowment Fund Policy Committee with respect to the gentleman's comment that this fund hasn't been earning as much as some others, whether they be from Harvard or the Ontario teachers' fund.

I guess what I wanted to do was point out that the difference between our funds under the endowment policy committee and the AIM group is that these are all taxpayers' dollars. Everything that's held inside under the jurisdiction of the government, whether it be pension plans or the heritage savings trust fund, is all invested on behalf of all taxpayers and residents of our province, as opposed to a fund something like the Ontario teachers' fund, which is invested on behalf of the teachers only. It's a different group of people, and the risk level, therefore, can also be different.

My goal as a member of the endowment policy committee, Mr. Speaker, was to ensure that we don't take needless risk or foolish risk trying to increase our percentage by one or two points compared to what maybe the Ontario Teachers' Pension Plan can also do. As

well, the Ontario teachers' group have the ability to make direct investments into . . . I'm sorry it's hard to concentrate.

The Deputy Speaker: Hon. members, the noise level is increasing in here. It's difficult to hear. Let's recognize the hon. Member for Airdrie-Chestermere.

Ms Haley: Thank you again, Mr. Speaker. I guess that what I was trying to say is that on behalf of the taxpayers we have to be a little more prudent in our investment policies. There are restrictions based on our own current legislation regarding the heritage savings trust fund; that we are not able to directly invest the heritage savings trust fund into the oil sands, for example, or we can't just take, you know, \$7 billion and buy real estate in the province of Alberta with the heritage savings trust fund.

If members are concerned that the value that we're creating off the heritage savings trust fund is not high enough, perhaps we need to go back and look at the actual originating legislation for the heritage savings trust fund and make changes to that, once again perhaps allowing direct investment into Alberta, as was the original intent of the heritage savings trust fund. When it was set up, you could invest in things like the Alberta Home Mortgage Corporation, which maybe is not a great example because it ended up losing money at the end of the day. Something else we shouldn't forget about is that when governments determine that they're going to invest directly into various enterprises throughout the province, there is a higher risk that something can go wrong with it. The purpose of the endowment policy committee was to try and ensure that taxpayers' money was protected, which I think is important.

Last year the hon. Member for Edmonton-Beverly-Clareview introduced an amendment to the endowment policy investment mix recommending that no tobacco companies be utilized inside the purchasing arrangements of the investors. We asked if it would be possible at that time to make a slight amendment to his legislation, excluding the fact that from time to time when a purchase is made of an entire index of funds there, may well be a tobacco firm in that. The Member for Edmonton-Beverly-Clareview agreed to that amendment, and we passed his legislation. So at the endowment level we've been very careful to try and, I believe, be ethical in all of the investments that we're making, understanding that from time to time when a fund is purchased, there may be a tobacco company inside that fund of a thousand other stocks. We have to also be aware that we're trying to maximize taxpayers' return while being prudent and, I hope the hon. member would agree, ethical.

5:30

Those were my main points, Mr. Speaker. I think that the concept of moving this to a Crown corporation and giving a board of governors slightly more flexibility in the way they manage these resources can enhance the return for all taxpayers, having the clear understanding, from my perspective, that the most important thing here is that the government of Alberta still sets the policy direction for the investments and that the board of governors will have to implement that direction. We would still do everything we can to maintain the security of the major portion of these investments so as to minimize as many risks as possible while trying to maximize your return. That's always been the goal. I hope that once this is in place, it will achieve an even greater return for the taxpayers.

Thank you, Mr. Speaker.

The Deputy Speaker: Hon. members, Standing Order 29(2)(a) is available.

Seeing none, the hon. Member for Edmonton-Gold Bar on the debate, followed by the hon. Member for Edmonton-Calder.

Mr. MacDonald: Thank you very much, Mr. Speaker. It's again a pleasure to have an opportunity to participate in the debate this afternoon on Bill 22. I certainly would like to thank the hon. Member for Airdrie-Chestermere for her remarks. She is a member of the Alberta heritage savings trust fund endowment policy committee, as was the current Minister of Energy for a time. As a member of that committee I asked for an update on what policy advice was being provided by that committee. There are a lot of members on the committee, only two members of the Legislative Assembly and, I think, six or seven other individuals, and the advice the committee provides is not available to the public.

I was surprised to be driving down the road the other day listening to the radio – the hon. member may also be quite surprised – and there was a CBC radio interview with two business analysts discussing this bill. The discussion, to say the least, Mr. Speaker, in my view, and I think the hon. member would share that view, certainly was not accurate. There was considerable blame put on performance off the fund and on the committee.

I'm sure these individuals had no idea that members of the committee had been requesting information on policy advice that had been given for investments and that it was not provided. But the discussion went on and on, and it was, to say the least, interesting. I wouldn't call it accurate, but I would certainly call it interesting. Whether they're pensioners or whether they're the taxpayers who own the Alberta heritage savings trust fund, the interest of those individuals was not served with that interview.

That being said, this is quite a change in direction. I was astonished to read my briefing notes for the last time the Alberta heritage savings trust fund met to realize that we were going ahead with this. It was the first I had heard of it. I asked for the report that was referenced, the Organization and Governance Review of Alberta Investment Management. This is a report that was prepared for Alberta Finance by Capelle Associates in January 2006. This is the only supporting document that I'm aware of that exists for this major change in direction.

I realize that there have been editorials written on this. I realize that some reporters have endorsed this. But I think we've got to be very, very cautious until we get some questions answered here. It seems to be expected that there's going to be a better return on our money. I would note – and I would be very interested to hear back from other members of the Assembly – that the administrative costs for the Alberta heritage savings trust fund, for the Alberta investment management team or whatever you want to call them, are quite modest. If you look at the quarterly reports or the annual reports, they don't fluctuate. They don't vary a great deal. But when you look at the internal administrative costs, you can see where they seem to be going up and up and up. Just because it goes to the private sector or to another investment advisory group doesn't necessarily mean that it's going to be better.

Now, I look at the bill and I also look at Bill 1, and I have a question for the Department of Finance. When you look at the Financial Administration Act and you look at the definition of a provincial agency, Mr. Speaker, a provincial agency means “a Provincial corporation or a Provincial committee.” This would be our Crown corporation in this case, that we're proposing here with Bill 22.

What would be the scope of the new Conflicts of Interest Act or the Lobbyists Act? We're talking about a pool of money here that some say would be \$70 billion. Others will say it's only going to be \$50 billion. Would this Crown corporation that's proposed be covered under the Lobbyists Act, or would all the investment strategies that may or may not occur, would the advice or the permission to invest in certain enterprises be outside the Lobbyists Act? Are we introducing one piece of legislation and then taking a

considerable amount of money and excluding it from that much-trumpeted Lobbyists Act? That's the first question I would need to have answered before I could consider supporting this bill not only as a citizen of this province and a part owner of the Alberta heritage savings trust fund but also as someone who is very interested in a lot of the pensions that are being administered in this province.

Now, this whole bill, Mr. Speaker, is again based on this report. There were individual interviews conducted, and there was a review of documents. We are talking about \$50 billion to \$70 billion here, and this bill is based on a study that held two meetings with the Investment Operations Committee, on the evening of December 7, 2005, and the morning of December 8, 2005. Those individual interviews were conducted with the deputy minister, the lead external Investment Operations Committee member, four senior Alberta investment management employees, one Alberta Justice lawyer, and the CEO of B.C. Investment Management.

There was a review of documents. The key documents that were reviewed were the heritage savings trust fund, the endowment portfolio investment policy statement, the supplementary retirement plan for public service managers, the special forces pension plan statement of investment policies and goals 2005, the universities academic pension plan statement of investment policies and goals 2005, and a document called AIM. I believe this is the local authorities pension plan operating protocol for 2005.

I would also like to see letters of support from these various pension funds that indicate that they wish this bill to proceed. I've seen nothing like that, and I want to see what other consultations have gone on with these major pension funds. What we're talking about doing here is incredible, yet there doesn't seem to be much support. Now, maybe there is, and I've missed it. Certainly, I think that is a fair request, Mr. Speaker.

5:40

Now, also in regard to the setting up of this Crown corporation – and this is in section 9 – how will the bylaws be drafted, and will they become public? I'm not certain that they will.

The Auditor General and the Minister of Finance talked about this: it's going to be the auditor of the corporation. What role, if any, will the CIA, the chief internal auditor, have in this?

Getting to section 2(5): “The Corporation must maintain its head office and principal place of business in Alberta.” I think it should be in the capital city, Edmonton, Alberta.

Mr. Speaker, this gets me back to the Capelle report. I was disappointed to see where the authors of this report were a little concerned – I mean, I realize that it's a long spring here, and the Oilers aren't in the playoffs – about people being attracted to live and work in Edmonton and work for the government, that they may not get a compensation package that would be possible in other situations. This really concerns me. This is a significant amount of money.

If we were to pass this bill into law, is there some way that the School of Business over at the University of Alberta could provide some formal training or some courses to students who are interested in pursuing this as a career? Could this bill and this pool of assets and the investment strategy surrounding them also be connected to the business school at the University of Alberta? If training and recruitment of qualified professionals is a problem for these individuals to maintain, well, perhaps we can fix that.

I'm not saying to offer a portion of this investment pool to graduate students, but certainly graduate students at the U of A business school could be trained to administer this program in a professional manner well into the future. If we've got a problem, let's try to solve it that way. I wouldn't want to see these pools of cash shifted somewhere else because I think they belong in the

province, and I think this corporation, if it is to exist, should be part of the corporate culture of the capital city, Edmonton.

Now, Mr. Speaker, there are other concerns with this bill at this time and other questions that I have. I again would urge all hon. members to have a good look at this and to question just exactly how this is going to work. I've read the newspaper articles and I've listened to the radio interviews and I've read the editorials and I've read the bill and I've read the Organization and Governance Review of Alberta Investment Management company or firm or department of Alberta Finance, whatever you want to call it. I think we need to be very careful, and I would urge caution for the reasons that I have outlined. Again, I am not satisfied with this one report and the direction it is providing. Surely there must be more information available than this.

In conclusion, please provide letters or information that support this bill from the various funds that we are looking at. I think that is reasonable, and it is fair, and again I am anxious to see what the relationship between this bill, Bill 22, and Bill 1, the Lobbyists Act, is. Is all this money excluded from any sort of coverage by the Lobbyists Act? I hope to receive the answers to my questions before we get too far in debate in committee, and I would like to thank the Assembly for their time.

Thank you.

The Deputy Speaker: Again, Standing Order 29(2)(a) is available. Seeing none, the hon. Member for Edmonton-Calder.

Mr. Eggen: Well, thank you, Mr. Speaker. I rise with considerable interest to speak on Bill 22, Alberta Investment Management Corporation Act. It's an interesting piece of legislation that just kind of popped out of nowhere, I think, for many individuals both inside and outside the House. Certainly, it's something that has significance not just in the sheer volume of money that it would be representing, this independent Crown corporation that would be created, but also just the significance of where that money comes from and where, in fact, we would be investing it.

The bill itself, in close observation, doesn't seem to be particularly remarkable in any way. The corporation looks as though it would be an entity which a great deal of Alberta's investment wealth would be run through, including some of the other funds that currently exist, like the Alberta heritage savings trust fund, the Alberta Heritage Foundation for Medical Research, and the local authorities pension plan as well.

We, of course, are hoping that the regulations surrounding this Crown corporation would allow for the independent professional management of the monies, that would ultimately result in high, reasonable, fair rates of return for these various funds and the \$70 billion price tag that's being thrown around here. I've heard other estimates, higher and lower, but certainly this would put us in the range of one of the largest investment funds in the country, up there with other investment funds, including the Caisse de dépôt et placement du Québec and the Ontario teachers' fund and the B.C. Investment Management Corporation, among others.

That's up in the big leagues as far as an investment fund which could have considerable clout in money markets not just here in Canada but around the world, and that is also a good thing because, of course, we want to provide a fair rate of return for these public monies. In fact, it's a projection to boost those earnings for this fund almost immediately by \$500 million, which is nothing to spit at, Mr. Speaker, by any means.

The corporation certainly looks to be, in the eyes of the New Democrat opposition, a positive step forwards. We certainly do not want to shirk our responsibilities to ensure that the details of this bill and then this Crown corporation are not left out of public scrutiny

and legislative scrutiny here especially, so we look forward to looking at each part of this bill in detail. A full analysis, I think, would be appropriate to look at this fund, using the acronym AIM, in relation to how the function of the Quebec provincial fund and B.C. provincial fund have operated and have performed in the years that they have been created. It's always a useful exercise to look elsewhere to see something similar and look to adapt and improve on the experience of others. Those are two provincial funds that do exist here currently, and we can probably learn a lot from their experience.

I hear a number of MLAs speaking about the importance of having an ethical investment component to this Crown corporation, with which we certainly are in agreement. The ethical investment funds that are available privately both here in Canada and around the world have a good record and rate of return. You can put different parameters of definition as to what an ethical investment is, but I think that is certainly within the purview of our legislative capacity here, and I think it's the responsibility of us as well, considering we're dealing with public monies here that people expect to grow but in a clean and ethical and moral manner.

5:50

So where we invest this money and how we do so – certainly, I think the intention is to build that degree of separation to ensure that direct political interference is kept to a minimum, which is very important, but also we must establish as a baseline a certain ethical structure that I think Albertans would expect from us. We do have, in my own experience here at the Legislature, a very positive precedent in that regard, where the Member for Edmonton-Beverly-Clareview, I think, working together with the hon. Member for Airdrie-Chestermere, put together an amendment to a bill, an investment fund that we put together last year or a year and a half ago, to have a restriction on tobacco investment. That seemed to work very well. We were certainly amenable to that amendment, and we appreciated that sort of spirit of co-operation, that I think we can apply again to building the parameters of this fund that we're talking about here.

So we certainly support the creation of this corporation, and we want to ensure that there is proper oversight and reporting of any interest that is earned and what is done with it, especially considering that things with pension funds are being lumped together with other monies. We need to have a close scrutiny of how the monies from investment profits are disbursed back into the various funds that they represent. You know, dealing with pension funds is critical, Mr. Speaker, to ensure that no monies go astray. I would also suggest, as I said before, that we want to manage our risks when we're making such an investment and to optimize our returns but within, I guess, the sort of caveat that we are dealing with public monies here and that we do that ethically and do it in a balanced, long-term manner, and we create a fund that Albertans can be proud to see grow and build for our future.

So with that, Mr. Speaker, I would move to adjourn the debate for this current session on Bill 22. Thank you.

[Motion to adjourn debate carried]

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

Mr. Renner: Well, Mr. Speaker, given the tremendous progress that we made this afternoon and the hour, I would like to move that we call it 6 o'clock and adjourn until 1 o'clock tomorrow afternoon.

[Motion carried; at 5:54 p.m. the Assembly adjourned to Thursday at 1 p.m.]