

Legislative Assembly of Alberta

Title: **Monday, November 19, 2001**

1:30 p.m.

Date: 01/11/19

[The Speaker in the chair]

head: Prayers

THE SPEAKER: At the conclusion of the prayer would you all remain standing for the singing of our national anthem.

Let us pray. At the beginning of this week we ask You, Father, to renew and strengthen in us the awareness of our duty and privilege as members of this Legislature. We ask You also in Your divine providence to bless and protect the Assembly and the province we are elected to serve. Amen.

Now we'll call on Mr. Paul Lorieau to lead us in the singing of our national anthem.

HON. MEMBERS:

O Canada, our home and native land!
True patriot love in all thy sons command.
With glowing hearts we see thee rise,
The True North strong and free!
From far and wide, O Canada,
We stand on guard for thee.
God keep our land glorious and free!
O Canada, we stand on guard for thee.
O Canada, we stand on guard for thee.

THE SPEAKER: Please be seated.

head: Introduction of Visitors

THE SPEAKER: The hon. Minister of Learning.

DR. OBERG: Thank you very much, Mr. Speaker. Today I'm very privileged to introduce a former Member of the Legislative Assembly. He is a personal friend of mine, and he has chosen to continue his career in the elected forum by being elected as chair of Chinook's Edge school division No. 73. Seated with Mr. Roy Brassard is Mr. Jim Gibbons, superintendent of Chinook's Edge school division, and Mr. Ian Taylor, vice-chairman of Chinook's Edge school division. I would ask all of them to please rise and receive the warm blessing of this Assembly.

head: Tabling Returns and Reports

MR. KLEIN: Mr. Speaker, with your permission I wish to file with the Assembly copies of two letters I sent earlier today. The first letter is to the Calgary Stampeders' coach and general manager, Wally Buono, and the entire Stampeders organization. The letter of course congratulates the Stamps for winning yesterday's western final and wishes them the best of luck in next Sunday's Grey Cup game in Montreal.

The second letter, Mr. Speaker, is to Manitoba Premier Gary Doer. The letter challenges Premier Doer to a bet. If the Blue Bombers win the Grey Cup, I will agree to wear a Bombers jersey for one day in this Assembly, with your permission, and make a \$100 donation to the Manitoba charity of Mr. Doer's choice. If the Stampeders win, which I'm sure you'll agree is a more likely scenario, Mr. Doer will be obliged to wear a Stampeders jersey in the Manitoba Legislature and make a \$100 donation to the Alberta charity of my choice.

Thank you, Mr. Speaker.

THE SPEAKER: The hon. Minister of Human Resources and Employment.

MR. DUNFORD: Thank you, Mr. Speaker. I'm pleased to table with the Assembly the 2000 annual report of the Alberta Workers' Compensation Board.

THE SPEAKER: The hon. Minister of Revenue.

MR. MELCHIN: Thank you, Mr. Speaker. I'm pleased to table eight copies of each of the responses to the questions posed in estimates to this member, to Alberta Revenue, on May 23. Although these responses were generated, we were in recess at the time. The responses were provided to the members in hard copy in a timely fashion, but we thought we'd now table them in the House.

Thank you.

THE SPEAKER: The hon. Minister of Municipal Affairs.

MR. BOUTILIER: Thank you, Mr. Speaker. It's my pleasure today to table the requisite number of copies of the Alberta Boilers Safety Association's annual report for the year 2000.

THE SPEAKER: The hon. Minister of Justice and Attorney General.

MR. HANCOCK: Thank you, Mr. Speaker. Today I'd like to table five copies of the following reports: the Law Society of Alberta annual report, 2000, and the 28th annual report of the Alberta Law Foundation.

THE SPEAKER: The hon. Member for Calgary-Fort.

MR. CAO: Thank you, Mr. Speaker. With your permission I would like to file a report with the House. This report was done by Mr. Allan Jobson, a constituent of mine, regarding the WCB recommendations.

THE SPEAKER: The hon. Member for Banff-Cochrane.

MRS. TARCHUK: Thank you, Mr. Speaker. As chair of the Standing Committee on Legislative offices I'd like to table five copies of the following reports: the annual report of the Auditor General of Alberta, 2000-2001, and the report of the Chief Electoral Officer on the 2000 provincial confirmation process and the Monday, March 12, 2001, provincial general election of the 25th Legislative Assembly.

THE SPEAKER: Both reports, hon. member, have already been tabled in this Assembly.

The hon. Member for Edmonton-Ellerslie.

MS CARLSON: Thank you, Mr. Speaker. Today I would like to table the required number of copies of a letter from Dorothy Ackerman, who is deaf and is in need of interpreting services and is looking forward to when the government comes through with their promised \$400,000 for interpreting services.

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

MR. MacDONALD: Thank you, Mr. Speaker. I have two tablings today. The first is on behalf of Ms Eleanor Iftody, a resident of Edmonton-Gold Bar. This is a letter that the Premier's office has sent to her. It is regarding compensation for retired teachers.

The second tabling is a letter also regarding teachers and the calculation of benefits under the teachers' pension plan. This one is from the office of the hon. Minister of Learning.

Thank you.

THE SPEAKER: The hon. Member for Edmonton-Glengarry.

MR. BONNER: Thank you, Mr. Speaker. I'd like to table the appropriate number of copies today of a letter from Ms Sandra Badun of Edmonton. The letter also has 29 other signatures. These residents of Alberta are in support of Bill 209, the Highway Traffic (Bicycle Safety Helmet) Amendment Act.

Thank you.

THE SPEAKER: The hon. Member for Edmonton-Strathcona.

DR. PANNU: Thank you, Mr. Speaker. I rise to table five copies of the submission made by SALT, the Seniors' Action and Liaison Team. This submission was made to the Romanow commission on health care in Canada.

Thank you, Mr. Speaker.

THE SPEAKER: Hon. members, I have two tablings today. First of all, I'm pleased to file with the Assembly copies of a letter that is being sent today to Celebrate the Season participants indicating that Christmas caroling is back on in the Alberta Legislature Building rotunda. Choirs are being scheduled to participate daily between December 3 to December 22 during the hours of noon to 1 p.m. and from 6 p.m. to 9 p.m. As always our first priority is for the safety of our children and all visitors to these precincts. On a personal note, the chair for one could not be happier.

Hon. members, I table in the House today five copies of a letter of resignation received from Mr. Peter Valentine, Auditor General of the province of Alberta.

head: Introduction of Guests

THE SPEAKER: The hon. Minister of Children's Services.

MS EVANS: Thank you, Mr. Speaker. It is a distinct privilege today to introduce two groups. The first group, seated in the members' gallery front row, consists of the president of the Rotary Club of Sherwood Park. He is also well known as president of Petersen Pontiac, a car dealership in our community. He is accompanied by a wonderful young man from Switzerland who is a Rotary exchange student. His parents are both educators. He's a 17 year old, and he is enjoying Canada very much. Please join me in warm applause for our guests, Marc Suter and his accompanying host, Al Petersen, in the members' gallery, if they would stand.

1:40

The second introduction. Eighty wonderful and boisterous students from Pine Street school have joined us along with their teachers and parent helpers, and may I congratulate all of them. Alex Newhart, Cheryl Hawryluk, Peggy Brown, Heather Wright, Val Danard, and parent helper Nancy McKay accompany all of these students from Pine Street, who are in both galleries, I believe. Please join me in applauding them as they rise.

THE SPEAKER: The hon. Minister of Economic Development.

MR. NORRIS: Thank you very much, Mr. Speaker. I would like to introduce to you and through you some constituents of mine from grade 6 at Lymburn elementary school. They are here with their

teacher, Ms Susan Galloway, and parent helpers Ms Trautman and Mrs. Bayn. The children are participating in School at the Legislature this week, and although they are probably as disappointed with the Eskimos as I am, would you please join me in giving them the warm welcome of the House today.

THE SPEAKER: The hon. Member for Wetaskiwin-Camrose.

MR. JOHNSON: Thank you, Mr. Speaker. I'd like to introduce to you and through you to the members of the Assembly five students and their teacher from the adult upgrading class at Augustana University College's centre for community education. They are here as part of their social studies course. They're studying government, I understand. Included in the group is the teacher, Kathryn Elford, and students Kirby Colter, Lena Morningchild-Baker, Tessa Pearce, Victoria Steiner, and Erika Steiner. I believe they're sitting in the public gallery, and I'd like to ask them to rise and receive our warm welcome.

THE SPEAKER: The hon. Member for Edmonton-Castle Downs.

MR. LUKASZUK: Thank you, Mr. Speaker. It is my pleasure to introduce to you Mr. Sid Saraya and Perry Duquette, who in conjunction with an artist from Castle Downs, Ms Gracie Jane Genereux, have presented the city of New York mayor, Mr. Guiliani, with a print depicting the Twin Towers, which is now being sold and destined to earn in excess of \$2.5 million American. This print is being displayed right now in the New York city hall and in the NYPD headquarters. I would ask them to rise and receive the traditional warm welcome of this Assembly.

THE SPEAKER: The hon. Member for Edmonton-Centre.

MS BLAKEMAN: Thank you very much, Mr. Speaker. It's my privilege today to introduce to you and through you to members of the Assembly 24 social 10 and legal studies students from NorQuest College. They are accompanied today by their instructor, Ms Elaine Nichols. I believe they're sitting in the public gallery. If I could get them to please rise and receive the warm welcome of the Assembly.

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

MS CARLSON: Thank you, Mr. Speaker. I have two sets of introductions today. It's an honour for me to introduce this first group of world travelers that have joined us. Dr. Sarah Jennings; her husband, Rob Nicholl; and their two delightful daughters, Rosie and Alice, are here with us in the Assembly today. Sarah is a PhD from the U of A teaching at the University of Tasmania in Hobart, and Rob is an MA in economics graduate of the U of A now working in the equivalent position of an ADM with the government of Tasmania. They have taken a three-month leave to show their daughters the world and are renewing old friendships during their stay in Edmonton. I would ask that they now rise and receive the traditional warm welcome of the Assembly.

My second set of introductions are longtime friends and well known to many people in this Assembly. They are the family members of a former member, Peter Sekulic. We are joined today by Angela Sekulic and their children, Brennan, Olivia, and Jared. Brennan is eight years old and a grade 3 student, and he is a keen political observer and a real history buff and certainly knows more about the history of this Legislative Assembly than I'm quite sure all of us put together. I would ask that they please rise and receive the traditional warm welcome of this Assembly.

THE SPEAKER: The hon. Minister of Learning.

DR. OBERG: Thank you very much, Mr. Speaker. It gives me great pleasure to introduce to you and through you six representatives of the Council of Alberta University Students. These university students are here all week as part of their political action committee to meet with members of the Legislature, and I would ask that everyone open their doors to these six individuals. Oliver Bladec is the chair of CAUS and vice-president, external, University of Calgary Students' Union; Barb Wright is the president of the University of Calgary Students' Union; Matt McHugh is the president of the University of Lethbridge Students' Union; Kory Zwack is vice-president, external, University of Alberta Students' Union, and vice-chair of CAUS; Toby White is the CAUS administrator; and Terri Jackson is the vice-president, academic, University of Lethbridge Students' Union. I would ask these individuals to rise and receive the warm welcome of the Legislative Assembly.

head: Oral Question Period

THE SPEAKER: First Official Opposition main question. The hon. Leader of the Official Opposition.

Provincial Fiscal Policies

DR. NICOL: Thank you, Mr. Speaker. Last week the Premier indicated that Albertans can expect to see more cuts, or what the Premier refers to as adjustments, if the oil price does not recover. My questions are to the Premier. Can the Premier tell us whether any further adjustments will be made to the budgets of the people programs such as health care, education, and children's services?

MR. KLEIN: Mr. Speaker, I will have the hon. Minister of Finance supplement my answer, but quite simply the minister has directed all departments to achieve a 1 percent savings in expenditures this year, and all ministers responsible for capital projects have been asked to defer or to stage as many of those projects as we possibly can.

THE SPEAKER: The hon. minister.

MRS. NELSON: Thank you very much, Mr. Speaker. On October 18 we announced an economic update to Albertans to keep them abreast of some of the volatility that certainly existed within the marketplace as it pertained to our revenue base. At that point we also announced that we were able to take corrective actions to reflect that volatility and pull our spending back by \$1.26 billion. That was done, as the Premier has alluded to, by ministries coming forward with a 1 percent reduction and freezing hiring and holding off on discretionary spending.

It's no secret to Albertans that the marketplace for oil and gas is very volatile. It has been going down, particularly on the oil side, these last few days. We are monitoring that very, very closely. I will say, though, that on the gas side those revenues are firming up and have gone up. So the market has been shifting somewhat. We will monitor it, and if necessary we will make further corrections. We have a commitment to Albertans to balance our books. It's the law in this province, and we will uphold that commitment.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. Again to the Premier: how much of the onetime spending that was in the budget this year has not yet been contracted or signed and could possibly be still delayed?

MR. KLEIN: Oh, Mr. Speaker, I don't have those figures at my fingertips. Perhaps the hon. Minister of Finance can shed some more light on this matter.

MRS. NELSON: Mr. Speaker, on the capital side we asked for a staging and deferral of some \$700 million of capital projects by the departments of Transportation and Infrastructure, and they were able to do that. That's included in the \$1.26 billion that we are holding back.

Now, I've stressed the words "staging" and "deferral" because those projects will have to go forward at some time, and it will have to be dependent upon the revenue base that comes in next year's budget and the year after. They have not been removed from the table, but they will not proceed until we have the money in the bank. In other words, we won't spend money that we don't have.

1:50

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you. Mr. Premier, can you commit to Albertans that if any further cuts are necessary, they'll come out of those onetime expenditures rather than the people programs that are so important to Albertans?

MR. KLEIN: Well, onetime, Mr. Speaker, means precisely that – or at least it's supposed to – that is, onetime spending. As far as I know, that has all been committed. The two ministers who can talk to this more specifically would be the Minister of Infrastructure and the Minister of Transportation, because that's where most of the capital works projects lie. If you wish to hear their supplementary relative to the specific question, I'll ask them to respond.

MR. LUND: Mr. Speaker, in the Department of Infrastructure we had a number of projects that were approved, and they will eventually go ahead, but even though it was allocated to a project, some of the onetime spending hadn't been given to the health authority or the college or the postsecondary institution or the school board. Where those occurred, we did not send out the money for the year 2001-2002. However, in many cases the money is out there, and it will be staged. Where we have to add to those funds, the budget shows that we will be able to do that over time.

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

Infrastructure Funding

DR. NICOL: Thank you, Mr. Speaker. The Alberta Liberals have recommended using a five-year moving average for projecting oil and natural gas prices. If the government had followed our advice, revenue projections for this year's budget would have been \$19.2 billion, about \$3 billion less than the government's projected spending in the budget. My question is to the Premier. Why did the government not use the concept of an infrastructure enhancement fund and earmark the \$2.3 billion of onetime infrastructure expenditures for next year so that they could be done out of revenues that had already been received rather than out of expected revenues in a budget when we have such volatile revenues?

MR. KLEIN: Mr. Speaker, I would have to say that the Liberal policies are interesting, but we as a government decided to adopt a different policy and different priorities. Our priority was clearly that of debt reduction. I would have to remind the hon. leader of the Liberal opposition that there was a \$5 billion plus contribution to

reducing the debt, which in turn freed up hundreds of millions of dollars in interest payments. The priority of this government is to not raise taxes, to keep a very competitive tax regime. The policy is to have the most competitive, in fact, tax regime in Canada and, at the same time, dedicate funds as we can to priority projects. There were indeed very significant contributions to onetime infrastructure projects.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. If these onetime infrastructure programs that the Premier is speaking about were so important this year, why were they not included in the regular Infrastructure budget rather than put in as onetime?

MR. KLEIN: Mr. Speaker, indeed they were. There's only so much that we can do. We try to do as much as we can with the money that we have. If you think that we're in a peachy position right now, I'll have the hon. Minister of Infrastructure outline for the hon. leader of the Liberal Party just how serious the Infrastructure deficit is, notwithstanding the fact that we have committed very significant amounts of dollars to infrastructure projects.

MR. LUND: Well, Mr. Speaker, the Leader of the Official Opposition's proposal is quite interesting, but the fact is that when we had the extra funds, we did send them out to the postsecondary institutions and the school boards. There is a lot of money sitting out there currently that will be used over the next three years. So it is feathered out. It's not as though the money was all spent in the year it was received.

Mr. Speaker, the onetime spending did not pick up the deficit that we do have currently in what we would call the preservation end of the structures that we have a responsibility for. As a matter of fact, as we go through the whole system, it looks like that deficit could be in excess of \$3 billion. Really what the industry is saying is that we should be spending about 1.5 percent of the book value of the asset annually to preserve it. We haven't been coming to that level. We've been at about 0.3 percent. So, in fact, the onetime spending has gone a long way to address some of those issues.

DR. NICOL: Mr. Speaker, now they're calling it back.

My final question is to the Premier. If you now have such a deficit in the infrastructure in this province, is that not a result of not properly funding infrastructure over the past 10 years?

MR. KLEIN: Mr. Speaker, I would suggest that there are many contributing factors to funding infrastructure and the rising costs of infrastructure. One, of course, is related to growth. We try to achieve in this province a balance, a balance of funds to operate what the hon. leader refers to as the people programs, a balance of funds to maintain as best as we possibly can the infrastructure, which includes not only buildings but certainly roads, a balance to achieve an orderly or an accelerated pay-down, if we can, of the debt, and a balance to maintain a very competitive and unobtrusive tax regime in this province.

THE SPEAKER: Third Official Opposition main question. The hon. Member for Edmonton-Gold Bar.

Electricity Pricing

MR. MacDONALD: Thank you, Mr. Speaker. This government has a legacy of high-profile boondoggles: Gainers at \$207 million, Swan

Hills at \$470 million, and the up-to-now champion NovAtel at \$646 million. My questions are to the Premier. Will the current champion be replaced by electricity deregulation deferral costs of \$700 million, which were hidden from the voters of this province last winter, the true costs of electricity?

Thank you.

MR. KLEIN: Well, Mr. Speaker, thank God for this government. I'm talking about this government and this administration, because while Gainers and NovAtel – well, we still have to deal with Swan Hills, and I'll speak to that, because I totally disagree with the assertions of the hon. member relative to Swan Hills. Relative to those, this government got in there, acted and acted quickly, and resolved those issues, cleaned those issues up.

Relative to the Swan Hills situation, I've tried to explain. I'll explain once again. There is a cost to garbage. This hon. member in the city of Edmonton pays through his municipal taxes – and I don't know if he pays a user fee on top of that – to have his garbage cleaned up. In the case of Alberta we've tried to find ways through the private sector, but ultimately we have a responsibility to society to make sure that this province is clean and free of toxic, poisonous waste. It's garbage. It's garbage, and there is a cost to garbage.

MR. MacDONALD: Given that this province is not clear of high electricity bills, will the Premier please explain what he thought was hypothetical last spring, the deferral accounts on electricity in light of third-quarter results from EPCOR, Enmax, and other electricity providers? The deferral accounts now owed are \$700 million. Your boondoggle is electricity deregulation now, Mr. Premier.

2:00

MR. KLEIN: There wasn't a boondoggle in electricity deregulation. As a matter of fact, there has been a tremendous correction in the market, Mr. Speaker, and we no longer hear complaints. The only people complaining are the Liberals. Relative to the deferral account situation, I'll have the hon. Minister of Energy respond.

MR. SMITH: Mr. Speaker, as the Premier says: thank God for this government. I'd say: thank Ralph Klein for this government.

Mr. Speaker, I do want to table today's power pool prices, which indicate that the price today is some \$33.50 a megawatt hour, which is a far cry from the \$100-plus. I also think, to help answer the member's question, that we may want to table the covering page of Enmax's third-quarter earnings. Enmax's third-quarter earnings reflect declining energy prices. In fact, the profit has dropped from \$95 million in the second quarter to \$35 million, reflecting lower energy costs.

Also, the proceeds from the auctions were returned to customers in terms of \$40 rebates last year, and the deferral accounts which were agreed to with the utility companies, Mr. Speaker, will be collected from consumers over a three-year period. We are waiting for the appropriate calculation and the Energy and Utilities Board to reflect on next year's RRO filings made by the utilities. This is money that will be collected from consumers to the utility companies. It does not – does not – impact the bottom financial line of this government in any way, shape, or form.

THE SPEAKER: The hon. member.

MR. MacDONALD: Thank you, Mr. Speaker. Again to the Premier: since neither Enmax, EPCOR, nor the public know how deferral rates will be collected, the \$700 million, will the hon. Premier please tell us how this new tax, the Klein electricity tax, will be collected

on the individual power bills in this province? Where is it going to be?

Thank you.

MR. KLEIN: I don't know if the hon. member was listening or not, but I think the hon. minister outlined it quite clearly as to how it is to be collected, Mr. Speaker. But just in case the hon. member wasn't listening, I'll have the hon. minister explain it again.

MR. SMITH: We have already concluded in the previous answer that this does not impact the bottom line of this government that is not going into a deficit today, will not go into a deficit tomorrow. So, Mr. Speaker, the deferral accounts, which are a reflection of last year's rate riders, will go onto the utility company accounts in a way that they're clearly marked, very transparent, and easily understandable by every consumer in Alberta so that they know exactly how much they owe the utility company.

THE SPEAKER: Hon. members, may I repeat my admonition of the other day when I indicated to please not use personal names in the Assembly. That's to both the Minister of Energy and the hon. Member for Edmonton-Gold Bar.

The hon. leader of the third party.

Abortion Funding

DR. PANNU: Thank you, Mr. Speaker. Canadian women have fought long and hard for access to safe and legal abortions within the publicly funded health care system. The medical profession is clear that it's a medical procedure which can be critical to women's physical and emotional health. However, the Premier has indicated as recently as November 11 that ending medicare coverage for abortions would be part of the review of health care whether he, i.e. the Premier, likes it or not. My questions are to the Premier. Why has the government floated the suggestion, why has the Premier floated the suggestion that medicare coverage for abortion may be eliminated?

MR. KLEIN: You know, Mr. Speaker, there ought to be a law. There is a rule in this Legislature about calling a person a liar. There should be a rule against telling lies. The assertions of the hon. leader of the third party are not true in any way, shape, or form. My position – and it's a personal position, because I don't believe there'll ever be a political resolution to this very sensitive, very delicate question – is that this is a matter that's between a woman, her doctor, and God. What's more, it's covered under the Canada Health Act, and we have vowed through our own legislation, the Health Care Protection Act, which he opposed, to abide by the principles of the Canada Health Act.

THE SPEAKER: Hon. Member for Edmonton-Highlands, you stood up. Are you rising on a point of something?

MR. MASON: I was, Mr. Speaker, but I was under the understanding that points of order in question period were taken at the end.

THE SPEAKER: Yes, but were you rising to advise me you wanted to rise on a point of order?

MR. MASON: Yes, I was, sir.

THE SPEAKER: Okay. The hon. leader of the third party.

DR. PANNU: Thank you, Mr. Speaker. The Premier's inflamma-

tory words aside, let me ask him the second question. Does he and his government believe that Alberta women have the right to abortions irrespective – irrespective – of their financial circumstances?

MR. KLEIN: Mr. Speaker, I just answered that question. I will remind the hon. member once again that abortion is deemed a medically necessary procedure under the Canada Health Act, and this government, by virtue of passing the Health Care Protection Act, has agreed, as the preamble to that act, to the fundamental principles of the Canada Health Act.

DR. PANNU: Will the Premier show this House, Mr. Speaker, that his so-called review of the comprehensiveness principle will not touch the right of Canadian women to abortion under the public health care system?

MR. KLEIN: Mr. Speaker, the whole issue of comprehensiveness doesn't go to the issue of that principle in the act. It goes to the issue of the interpretation of that principle. That is going to have to be a question that this government, through the due process procedure, will have to resolve and have to deal with.

THE SPEAKER: The hon. Member for St. Albert, followed by the hon. Member for Edmonton-Riverview.

Mazankowski Report on Health

MRS. O'NEILL: Thank you, Mr. Speaker. My question is to the Minister of Health and Wellness. Last Friday you met in Calgary with the Premier, meeting with Don Mazankowski with respect to his report on health care. Could you please tell us in this Assembly when the final, complete report will be publicly available?

MR. MAR: Mr. Speaker, the Premier met with Mr. Mazankowski as well as the Premier's Advisory Council on Health on Friday at McDougall Centre. It was a very productive meeting where Mr. Mazankowski and his committee outlined a number of principles that they were operating under, including solutions to ensuring that our health care system is sustainable into the future. I should note that none of the solutions that they brought forward would result in a necessary change to the Canada Health Act. Clearly, their mandate was to work within the principles and the spirit of the Canada Health Act.

Mr. Speaker, Mr. Mazankowski indicated a legitimate need for more time to prepare the written text of his report. I can advise the hon. member that his report should be prepared by the end of this month or perhaps the beginning of December. We expect the report to be delivered to the Premier at that time, and the report will be released publicly some time after that.

THE SPEAKER: The hon. member.

MRS. O'NEILL: Thank you. My supplemental question to the same minister: with respect to the report, can you give us any idea of the flavour of any of the topics or any of the details in general that you might have discussed on Friday?

THE SPEAKER: Hon. minister, we're talking now a several-hour answer. If you can put it into 30 seconds, please proceed.

MR. MAR: Well, Mr. Speaker, there may be a number of different solutions put forward, but if I can categorize them, there would be a category of solutions that can be dealt with within the province of

Alberta that do not at all infringe upon the Canada Health Act. There may be a second category of solutions that may require a challenge to the interpretation of terms of the Canada Health Act, as the Premier noted earlier. The third category might be solutions that would require change to the Canada Health Act, but as I indicated, there are no solutions being put forward by Mr. Mazankowski that fall within that third category.

2:10

I can say also that some of the ideas put forward by his committee are things that can be dealt with in the short term. Others will require perhaps legislative change here in the province of Alberta and would require more discussion and a longer term for implementation.

I should also note finally, Mr. Speaker, that it is the Premier's intention that he will take this report to the Premiers' Conference which will take place in British Columbia at the end of January of 2002.

THE SPEAKER: The hon. member.

MRS. O'NEILL: Thank you. To the same minister, Mr. Speaker: in terms of process for here in Alberta, what does the government plan to do with the report itself?

MR. MAR: Mr. Speaker, Mr. Mazankowski's report will go through the normal review process before we make any decisions, and that will include but is not limited to a review by the agenda and priorities committee, the standing policy committee on health and community living chaired by the hon. member, and also cabinet and caucus. We have been open and transparent about what comes next. We will move quickly where the recommendations fall within provincial jurisdiction, and this report, I must emphasize, will not sit on a shelf to gather dust. It will be a living document that will help us chart a new plan for health care in this province that will be high quality, accessible, fair, and sustainable.

THE SPEAKER: The hon. Member for Edmonton-Riverview, followed by the hon. Member for Calgary-Egmont.

Regional Health Authority Deficits

DR. TAFT: Thank you, Mr. Speaker. To the Minister of Health and Wellness. This year the Calgary and Capital regional health authorities were projecting combined deficits of well over \$70 million even before this government's recent round of cuts. Can the minister tell the Assembly if the regional health authorities are expected to borrow to cover these deficits?

MR. MAR: Mr. Speaker, I have had the opportunity to meet with the chairs and all members of the 17 regional health authorities and two provincial health authorities in the province of Alberta. I indicated to the Capital regional health authority as well as the Calgary health region that we expect them to be tabling business plans that will accommodate the projected overexpenditures that they have. Indeed, as quickly as this afternoon the Minister of Finance and myself will be meeting with them to re-emphasize that message not only to the two major regional health authorities but to the remaining 15 RHAs as well.

Mr. Speaker, there are legitimate concerns expressed by regional health authorities with respect to how they will deal with these overexpenditures, and each one is coming up with different solutions, whether it be timing differences, out of working capital, or changes in the delivery of service that they make. They are coming

up with different ways to be able to pay for those deficits in addition to meeting new budget targets that will be required as a result of the October 18 announcement by the Provincial Treasurer on reducing overall expenditures in all departments by 1 percent.

THE SPEAKER: The hon. member.

DR. TAFT: Thank you, Mr. Speaker. Has the minister or his department had any communication of any kind with the regional health authorities about borrowing money to cover their deficits?

MR. MAR: Mr. Speaker, a number of solutions have been brought forward by regional health authorities in order to deal with their respective deficits. I should note that there are a number of regional health authorities in this province that, notwithstanding the change in targets they may face, will still be able to post surpluses. But of the number of different options put forward which have been considered for dealing with deficits, borrowing has not been one of them.

THE SPEAKER: The hon. member.

DR. TAFT: Thank you, Mr. Speaker. Will the minister then rule out the possibility that he may allow regional health authorities to borrow from financial institutions such as Alberta Treasury Branches or banks to cover their deficits?

MR. MAR: I will rule that out, Mr. Speaker.

THE SPEAKER: The hon. Member for Calgary-Egmont, followed by the hon. Member for Edmonton-Mill Woods.

National Institute for Nanotechnology

MR. HERARD: Thank you, Mr. Speaker. A few days ago the Minister of Innovation and Science signed a memorandum of understanding with the federal government, the National Research Council, and the University of Alberta to establish the National Institute for Nanotechnology right here in the city of Edmonton. My questions are to the Minister of Innovation and Science. Since nanotechnology is not exactly a household word for most of us, could you briefly tell us what it is and what this institute is expected to do for the province?

MR. DOERKSEN: Mr. Speaker, let me first say how pleased I was on behalf of the provincial government to sign the memorandum of understanding that created the National Institute for Nanotechnology. The question asks for a definition or description of what nanotechnology is. There are many experts and researchers and scientists that are much better qualified to give that description, but I'll try.

Nanotechnology is the science and engineering of materials, devices, machines, and systems carried out in the size scale of atoms and molecules. In other words, it involves controlling matter at the molecular and even the atomic level. Mr. Speaker, to put this in a word picture, to help the imagery, at the nanoscale dust particles become boulders, so . . .

THE SPEAKER: Hon. minister, thank you very much. I would like to advise all members in the Assembly that we do have dictionaries available here.

The hon. member.

MR. HERARD: Thank you, Mr. Speaker. To the same minister: is it usual for a province to help pay to establish a national research council? I understand that Alberta is one of two provinces that don't already have a national research council.

MR. DOERKSEN: Well, Mr. Speaker, it is important that the public understand what nanotechnology is. When we were presented with this opportunity from, in particular, the National Research Council, I sat down with my advisory body, which is the Alberta Science, Research and Technology Authority, and the University of Alberta, and I said: what impact will this have in the province of Alberta? This council of independent Albertans, who understand the science and technology, told me that this was platform technology, which is the base for the research strategies that we're undertaking in this province in energy, in ICT, and in life sciences.

Mr. Speaker, the model we have set up, which is unlike other provinces, is a collaborative effort between the province, the National Research Council, and the University of Alberta. It's a collaborative approach which allows the cross-pollination of scientists and researchers from both the university and the national research centre and allows us to draw on their expertise both ways. It also has impact for the graduate and undergraduate students at the University of Alberta and allows them to gain further experience and further education in that field.

In short, Mr. Speaker, this is a tremendous opportunity for this province.

THE SPEAKER: The hon. member.

MR. HERARD: Thank you. My final question to the same minister: do we expect to be competitive with other regions of the world who have also established nanotechnology centres?

MR. DOERKSEN: Mr. Speaker, there are other nanotechnology initiatives that are happening throughout the world. We expect and have geared this national nanotechnology centre to be among the top five to ten in the world. To be competitive in this environment, to produce the economic benefit that's going to flow from it, we have to have the critical research mass for that to happen. So we are very excited about this institute and are looking forward to the potential it has for Albertans.

THE SPEAKER: The hon. Member for Edmonton-Mill Woods, followed by the hon. Member for Calgary-Fort.

Teacher Remuneration

DR. MASSEY: Thank you, Mr. Speaker. My questions are to the Premier this afternoon. Last evening, in speaking to the Alberta School Boards Association, the president of the Alberta Teachers' Association characterized education in the province as being in crisis. He was referring, of course, to the 52 school boards that have yet to renew teacher contracts. My questions are to the Premier. What action has the government taken to avoid this situation worsening?

2:20

MR. KLEIN: Well, Mr. Speaker, I think that the action we have taken has been very significant, and that was to put an unprecedented 6 percent guaranteed wage increase as a line item in this year's budget – I can't recall any other time that a salary increase has been guaranteed at all, never mind of that magnitude; so that is a good first step – plus to give the school boards the flexibility to provide additional dollars in salaries if indeed the school boards

deem that that money can be spent best in that particular area.

Mr. Speaker, I might have the hon. Minister of Learning supplement my answers. I don't know what more he can add, but that's the long and the short of it.

THE SPEAKER: The hon. minister.

DR. OBERG: Thank you very much, Mr. Speaker. I was just going to add that, yes, the president of the Alberta Teachers' Association did quantify the education system as being in a crisis state, but the very interesting point came when the Edwin Parr winners were announced last night, the six first-year teachers from around the province. Each one of these teachers gave very heartwarming stories, and I will quote, about how they loved their boards, how they loved their administration, how they loved their jobs.

AN HON. MEMBER: How they loved their minister.

DR. OBERG: They didn't say that.

I will quote from the gentleman from Lethbridge who said: I love my job so much; they wouldn't even have to pay me, and I'd still come.

DR. MASSEY: Thank you, Mr. Speaker. Again to the Premier: given that school boards can only increase their offers to teachers by increasing class sizes, has the government not placed school boards in a lose/lose situation?

MR. KLEIN: Mr. Speaker, that assertion is entirely subjective. You know, no two school districts are the same. Different school districts have different approaches to the use of their money. Yes, they are all required to abide by the fundamental curriculum set down by the Department of Learning, but beyond that they have the ability to negotiate with their teachers with a starting point of a 6 percent increase, which I would remind the hon. member is unprecedented, and to make the decision as to where they want their resources to go and where those resources can be spent in the best possible way to meet the requirements of not only the board but the teachers, the parents, and the students.

THE SPEAKER: The hon. member.

DR. MASSEY: Thank you. Again to the Premier, Mr. Speaker: will the Premier agree to convene a meeting between school boards and teachers to avoid the situation worsening?

MR. KLEIN: Mr. Speaker, relative to intervention by this government where it is ostensibly a matter between the teachers and the various school districts, I will have the hon. minister respond.

THE SPEAKER: The hon. minister.

DR. OBERG: Thank you very much, Mr. Speaker. When it comes to negotiations between the Alberta Teachers' Association locals and the school boards for their contract, it is exactly that. The school boards sit down with local ATA representatives, and they determine their contract. The central ATA then has the ability to ratify it or not. From what I understand, as early as today we have an offer on the table in one of our school boards that the local Alberta Teachers' Association potentially will accept. The local school board, from what I understand, has already agreed to it. So we could see something happen as early as today, and I very much look forward to having all the contracts ratified, to having all the contracts

accepted so that the teachers can go back to where they belong and can continue where they belong, which is in front of the kids, teaching in classrooms.

THE SPEAKER: The hon. Member for Calgary-Fort, followed by the hon. Member for Edmonton-Ellerslie.

English as a Second Language Programs

MR. CAO: Thank you, Mr. Speaker. My question today is to the hon. Minister of Learning. Given that the immigration into Canada has stayed at mostly the same level in the last few years – in fact, a smaller number of people immigrated to Canada last year than the years before – why, Mr. Minister, do we have the issue of increased demand in English as a Second Language at schools in Calgary and Edmonton?

THE SPEAKER: The hon. minister.

DR. OBERG: Thank you very much, Mr. Speaker. I think what it is is purely a value of economics. What we're seeing is roughly the same amount of immigrants coming into Canada, roughly the same amount of people who are immigrating to Canada that cannot speak English. What we are however seeing, though, is that once they're in Canada, the majority of them are coming to Alberta. Indeed, we have seen unprecedented increases in the number of English as a Second Language students in Calgary specifically but also in Edmonton. I really feel that probably the primary driver behind this is the economic activity that is happening in Alberta today.

THE SPEAKER: The hon. member.

MR. CAO: Thank you, Mr. Speaker. My first supplemental is to the same minister. Given that ESL is a recognized publicly funded program in Alberta schools, could the minister tell us what the proven benefits are and how it is funded?

DR. OBERG: Well, Mr. Speaker, the obvious proven benefit is that we have a group of our new Canadian population, who are the immigrants who have come here, that are learning to speak and to work in English. What this does is make them much more viable members of our community, of our working community, and they will be able to go out and find jobs anywhere in Alberta.

We spend 14 and a half million dollars per year on English as a Second Language programs, and if I say so myself, Mr. Speaker, I think it's money well spent.

THE SPEAKER: The hon. member.

MR. CAO: Thank you. My last supplemental is to the same minister. Given that immigration is a federal jurisdiction, could the minister explain any funding from the federal government for the settlement of immigrants in Alberta, and does it include ESL?

DR. OBERG: Mr. Speaker, when it comes to adult settlement in Alberta, the federal government is responsible for the ESL funding. Indeed, there are many programs in all of our communities that are funded by the federal government. We do fund a portion, roughly 20 percent of this money, as well for English as a Second Language. I feel that it is a good partnership between the federal government and the province of Alberta, and hopefully it's something that we can expand on with such things as our provincial nominee program.

Mr. Speaker, immigrants are extremely important to Alberta. We need them, and we will continue to ensure that they know English.

THE SPEAKER: The hon. Member for Edmonton-Ellerslie, followed by the hon. Member for Edmonton-Highlands.

Provincial Parks

MS CARLSON: Thank you, Mr. Speaker. My questions today are to the Minister of Community Development. How does the minister explain the decrease in the number of visitors to Alberta's park areas in the year 2000-2001?

MR. ZWOZDESKY: I'm not sure I heard the question quite correctly. Is the question: how do we explain the number of visitors to our parks?

MS CARLSON: The decrease in visitors.

MR. ZWOZDESKY: Well, Mr. Speaker, we have one of the most fantastic systems of provincial parks, protected areas, campgrounds anywhere in the world. From time to time there are peaks and valleys in the number of visitors who come and visit these parks, but I suspect that the member is trying to link this to something more deeply, that will come out in her supplemental. So I will simply allow her to go ahead and do that. I do want to say very clearly that we are very proud of these parks. We do put significant dollars into them every year, and we are working on the parks reinvestment strategy to bring about necessary improvements where possible.

MS CARLSON: Mr. Speaker, as this minister should know, the number of visitors has been steadily decreasing over the years as this government has not maintained infrastructure. What is he doing to ensure that sufficient dollars will be committed to infrastructure, which is the major contributing reason for decreased visitors?

MR. ZWOZDESKY: Well, Mr. Speaker, we do recognize that the provincial parks system, the campgrounds, the playgrounds, and all that stuff have a tremendous impact on our bottom-line revenue picture from the standpoint of tourism. We also are making as many of these spaces available across the province for everyone to enjoy. We're trying to keep prices affordable, but costs do go up, and from time to time in our lease agreements, through some of the operators who help us in these operations, they do increase those fees, and that might contribute to a little bit of a slowdown in certain areas. But I can tell you that in other areas, such as throughout Kananaskis Country, for example, numbers are usually up every year.

2:30

Now having said that, I will just reiterate that we are looking at all of the provincial parks right now. We are looking at reinvestment strategy to help improve these excellent places and make them even more attractive. Once dollars come available after we're through this economic downturn, then we'll engage in that discussion of how we can go about providing those necessary dollars to ensure that we continue to have the very best and the most accessible parks anywhere in Canada and perhaps even around the world.

MS CARLSON: Mr. Speaker, will the minister make public any studies or reports about the effects of user fees in the park system and the effect of not having adequate washroom and playground facilities and campground facilities in these parks?

MR. ZWOZDESKY: Mr. Speaker, we do have adequate facilities in

all of these parks places. Some of them are a little more of the Cadillac variety perhaps than some of the others; nonetheless, we do have a very good system in place that looks after that.

I should also add that we monitor these parks and the campgrounds and the playgrounds and so on on a very regular basis. We do have qualified inspectors who go out and get into these matters, and they do provide information back to the ministry with respect to what needs to be done where. Obviously, we are very concerned with some of the places in terms of some of the safety features that exist, and we're working through that process right now as well, but I can assure the House that everything possible is being done within the dollars available to make and maintain these spaces to the best of our ability.

THE SPEAKER: The hon. Member for Edmonton-Highlands, followed by the hon. Member for Calgary-Currie.

Public Affairs Bureau

MR. MASON: Thank you, Mr. Speaker. This government prides itself on cutting costs. [some applause] Yes, I know you'll all applaud. Okay. Just ask Alberta teachers looking for a new contract. This government prides itself on reducing bureaucracy. Just ask thousands of laid-off government employees. But the Premier has a real blind spot when it comes to one area of big government. To the Premier: why has the number of government communication directors and officers nearly tripled, from 47 when he first became Premier to 133 today?

MR. KLEIN: Mr. Speaker . . . [interjection] I'm going to tell the truth, Mr. Speaker. Before I answer the question, in regard to my responses to the Member for Edmonton-Strathcona and in anticipation of the point of order raised by the hon. Member for Edmonton-Highlands, in the event that I have offended the House, I wish to withdraw my insinuation that the hon. member was telling lies and apologize. I don't know where the hon. member obtained the quote he attributed to me, but I believe I have made my position very clear today, as I have on previous occasions, and I hope that that is accepted.

Mr. Speaker, I don't know if what the hon. Member for Edmonton-Highlands says is true. Yes, there has been some expansion commensurate with the growth of the province and with our responsibilities to disseminate factual information, and that may have contributed to some of the growth in the Public Affairs Bureau, but I would have to get the factual information relative to the growth in the PAB and where that growth has actually occurred.

THE SPEAKER: The hon. member.

MR. MASON: Thank you, Mr. Speaker. To the Premier. We will provide him with the research which we have done to demonstrate this.

Given that during the same period the civil service as a whole was reduced by 10,000 people, how can the Premier justify nearly tripling the number of spin doctors working for his government?

MR. KLEIN: Well, Mr. Speaker, they are not spin doctors. I think that if I had the opportunity to go through my estimates, which of course I will in the spring, the hon. member will see – and I'd be glad to share the information that I shared with the Assembly last time around – exactly where those dollars are spent and for what reasons.

Mr. Speaker, there are numerous functions within the Public

Affairs Bureau, not the least of which is to get out in the spirit of accountability and openness as much factual information as we possibly can about the departments of government and about the activities that take place within the government of Alberta. It is immense, you know, the number of services we offer, the number of programs that exist, and it's a huge job. In the spirit of accountability and in the spirit of openness we want to get as much factual information out there as we possibly can.

MR. MASON: Mr. Speaker, while I appreciate the Premier's sense of humour, will he assure all Albertans that this bloated PR bureaucracy will be downsized in order to save the taxpayers money?

MR. KLEIN: Mr. Speaker, we have a very competent director of the Public Affairs Bureau. I'm sure that she, like the directors of other departments, will abide by the hon. Minister of Finance's directive to achieve at least a 1 percent savings and more if she possibly can. Again, I would remind the hon. member that we do have an obligation. As a matter of fact, we have an obligation to fulfill the mandate of this government, and part of the mandate of this government is to be open, honest, accessible, and accountable, and to do that, we need a mechanism to disseminate factual information.

THE SPEAKER: I apologize to the six hon. members who because of my inability to marshal question and answer period were not recognized today.

head: Recognitions

THE SPEAKER: The hon. Member for Wetaskiwin-Camrose.

National Addictions Awareness Week

MR. JOHNSON: Thank you, Mr. Speaker. As chairman of the Alberta Alcohol and Drug Abuse Commission I am pleased to inform the hon. members that this week, November 18 through 24, is National Addictions Awareness Week. This week is a designated opportunity for individuals and communities to increase their awareness of alcohol and other drug and gambling problems and their solutions.

National Addictions Awareness Week promotes positive action by Albertans toward the prevention of substance and gambling abuse. Activities taking place during NAA Week help to strengthen personal independence and empower individuals to make informed lifestyle decisions. AADAC, through its involvement in NAA Week, helps to create healthier families and communities and demonstrates the government's commitment to sustaining the health of Albertans. By continuing to work together toward an addiction-free future, we can make a difference in people's lives to help ensure the future prosperity of our province.

Thank you.

THE SPEAKER: The hon. Member for Edmonton-Centre.

National Addictions Awareness Week

MS BLAKEMAN: Thank you, Mr. Speaker. I, too, would like to recognize National Addictions Awareness Week from November 18 to 24, 2001. In particular, I wish to recognize and thank the many individuals and agencies who work so hard to combat addictions and to help those who have succumbed. In particular, those working with gambling addictions need to be applauded, especially after the government's recent announcement of increases to gaming activity in Alberta.

Although the government continues to increase its revenue from gaming, there is no corresponding increase in money to combat addictions. Over a billion dollars a year goes into government coffers, but the amounts available to counter gambling and other addictions are not tied in any way to the revenue. So even though the government makes more, the groups dealing with the negative effects do not get more to deal with increased problems. Groups like the Nechi institute, Gamblers Anonymous, the Canadian Foundation of Compulsive Gambling (Alberta), and our own AADAC deserve our attention this week and our gratitude for waging an uphill battle.

Thank you.

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

2:40

Inskip Spencer

MR. HUTTON: Thank you, Mr. Speaker. It gives me great pleasure to recognize the Westmount Community League volunteer of the year 2001 award recipient, Inskip Spencer. For those members who don't know, Westmount Community League falls in the wonderful constituency of Edmonton-Glenora.

Mr. Spencer's contributions to the community include organizing the Westmount summer sprint and family fair, the seniors' tea and variety show, the annual volunteer appreciation dinner and the unsung hero award, the holiday gathering potluck and dance, and the fall aboriginal round dance. He is a well-deserving individual, and it's most appropriate this year, as this is the International Year of the Volunteer.

Thank you, Mr. Speaker.

THE SPEAKER: The hon. Member for Edmonton-Strathcona.

Dr. David Schindler

DR. PANNU: Thank you, Mr. Speaker. It's a privilege to recognize Dr. David Schindler, a great Albertan and a leading environmental scientist and pioneer in the study of freshwater lake systems. Dr. Schindler is the Killam Memorial professor of ecology at the University of Alberta and teaches limnology, public policy, and environmental decision-making.

Dr. Schindler is indeed a leading scientific mind and a highly respected strategic thinker. He's a recipient of the prestigious Stockholm water prize. More recently he won the 2001 Gerhard Herzberg Canada gold medal for science and engineering. This award includes \$1 million in research funding and is considered the highest honour for Canadian researchers. Having worked on key national and international bodies, a five-star scientific expert and authority, Dr. Schindler is committed to solving real-world problems and is a role model for every budding scientist.

Mr. Speaker, Dr. Schindler is, I think, seated in the public gallery. I'd ask Dr. Schindler to rise and receive the warm welcome of the Assembly.

THE SPEAKER: The hon. Member for Edmonton-Highlands on a point of order. Citation, please.

Point of Order Parliamentary Language

MR. MASON: Thank you, Mr. Speaker. I cite Standing Order 23(h), where a member may be called to order when he "makes allegations against another member." I also cite *Beauchesne's* 489, unparliamentary use of the expressions "lie" and "lies," which is on page 146 of *Beauchesne's*.

Now, I appreciate, Mr. Speaker, the apology from the hon. the

Premier, but I would also point out that the hon. minister of health – and it was clearly heard on our side – called the leader of the New Democrat opposition a liar. I believe that ought to be ruled unparliamentary and should be withdrawn.

Thank you, Mr. Speaker.

MR. HANCOCK: Well, Mr. Speaker, it is indeed unfortunate when a member of this House does the honourable thing, stands up and withdraws the use of language where it's appropriate to do so, and then members of the opposition do not have the good grace to accept that apology when it's made. In fact, I was sitting right here and did not hear anybody call anybody a liar in the House but did hear a reference to information which was being brought forward to the House which was lies. When it was pointed out that the word "lies" might be inappropriate in the House, the Premier had the good grace to stand up and withdraw it on a very timely basis. I think it could be taken from that context that he withdrew the use of that language on behalf of anybody who might have used it.

THE SPEAKER: The hon. Member for Edmonton-Strathcona.

DR. PANNU: Mr. Speaker, let me make it very clear that I appreciate very much what the Premier said in response to what he realized was wrong, and I thank him for it. The point of order is not with respect to what the Premier said. It was what preceded what the Premier said, and what preceded was the utterance from the minister of health. That's what the point of order is about.

THE SPEAKER: Well, hon. members, it only goes to point out that if all hon. members followed the rules of question period about the way the questions should go and the way the answers should go, we wouldn't have these little things happening. But let's just talk about what really did happen. Okay. The hon. Member for Edmonton-Strathcona issued a question, and it had in it certain views addressed to the Premier of the province of Alberta, who obviously took quite some degree of exception to these views in the preamble to the question. So the hon. leader of the government says:

You know, Mr. Speaker, there ought to be a law. There is a rule in this Legislature about calling a person a liar. Mr. Speaker, there should be a rule against telling lies. The assertions of the hon. leader of the third party are not true in any way, shape, or form.

Now, at the same time that that was happening, then, the point being made by the Member for Edmonton-Highlands is that the hon. Minister of Health and Wellness – and that's the correct title. The assertion is that the hon. Minister of Health and Wellness called someone a liar. Well, unfortunately the Blues do not pick any of that up. However, the chair heard it, and what the hon. Minister of Health and Wellness said was, "That is a lie." If the hon. Minister of Health and Wellness accused someone of being a liar, there would have been an immediate response, a pretty quick response. So one of the things that we have to do is we have to listen very attentively, but we also have to be very careful about what is said in here. Look; the mood today was incredible. I mean, there was none of the normal kind of raucous behaviour, but on the other hand there were continuous violations of questions, and they were not restricted to one caucus.

Without any doubt, hon. Member for Edmonton-Strathcona, if I read *Beauchesne* 428(a), which reads that a question must not "be ironical, rhetorical, offensive, or contain epithet, innuendo, satire, or ridicule," it strikes me that one of your questions might have been ruled out of order.

Hon. Member for Edmonton-Mill Woods, if I read *Beauchesne* 428(f), it says that the question must not "contain an expression of

opinion.” I could clearly have ruled out of order a couple of yours.

To the hon. Member for Calgary-Egmont. If I would read 428(j) in *Beauchesne*, a question must not “be framed so as to suggest its own answer.” I would most definitely have ruled out one of yours.

Well, I can go on with additional examples, because it does not apply to just one caucus or one representative of the various caucuses. These rules are actually not that difficult to read. Just a little time and a little attempt at it might help us all, and then we don’t have to have this kind of an exercise. So, I think, caution in the utilization of words. Everybody in here is honourable. There are honourable people in here, really good people. The English language is actually a very, very nice language.

head: Orders of the Day

head: Government Bills and Orders

head: Second Reading

Bill 25

Victims Restitution and Compensation Payment Act

THE SPEAKER: The hon. Minister of Justice and Attorney General.

MR. HANCOCK: Thank you, Mr. Speaker. It’s my pleasure to rise today and move Bill 25, Victims Restitution and Compensation Payment Act, for second reading.

Mr. Speaker, Bill 25 is an important new bill that will allow the courts to use wrongfully obtained profits and property to repair harm done to victims of crime and other illegal acts. It will do this by making it easier for Albertans to regain their property or obtain court-ordered restitution for losses suffered as a result of illegal activities. The bill will also allow the court to order an interim restraint order to prevent the property from being sold or disposed of prior to legal proceedings. The bill also includes provisions for penalties for failure to comply with restitution or civil forfeiture, assistance orders, and for the appeal and review of decisions made by the court. I’d like to use the time I have today to provide you and all members of the Assembly with a brief overview of the bill and to highlight what we expect it to achieve.

Let’s consider part 1, the legal action regarding property acquired by illegal means. Where a peace officer reasonably believes that property in Alberta was acquired by an illegal act, a crime, or other specified federal or provincial offence, the Crown may apply for a property disposal order for the purpose of taking that property away from the person responsible for the illegal act and returning it to the victim. This action can take place whether or not the person responsible for an illegal act has been charged or convicted. The application is made entirely at the discretion and direction of the Minister of Justice. Where a court is satisfied that there are reasonable grounds to believe that the property was acquired by an illegal act, the court may issue a restraint order to preserve the property and prevent its disappearance pending the property disposal hearing.

2:50

Where a police officer becomes aware that property was acquired by an illegal act and there is a risk that the person in possession will dispose of the property before a restraint order can be obtained, the police officer can direct that the property be restrained for a short period until a restraint order can be obtained from the court. If the Crown proves in court on a balance of probabilities that the property was acquired by an illegal act, the court may grant a property disposal order and rule that the property be taken away from the person responsible for the illegal act and returned to the person lawfully entitled to the property. A summary procedure with civil rules of evidence and procedures will be used for this purpose.

Where no victim or person entitled to the property can be found, the court must order that the restrained property be sold and the proceeds of the sale be paid, in accordance with a ministerial order, to an agency or program devoted to addressing the social harm caused by the illegal act, failing which the moneys are to be paid to the victims of crime fund.

There are existing provisions in the Criminal Code allowing for the forfeiture of proceeds of crime and the return of these proceeds to the victim. However, these provisions require the Crown to lay a criminal charge and prove a case beyond a reasonable doubt in a criminal court. Because of the constitutional protections afforded to the accused in criminal cases, it’s sometimes difficult to obtain a conviction. Under this act a legal action can be commenced to return the illegally obtained property to the victim even if there is no criminal charge or conviction, because the focus of the act is the civil compensation of victims, a provincial purpose, not the criminal punishment of offenders, a federal purpose.

Mr. Speaker, part 2 of the act focuses on restitution and compensation orders and the conviction requirement. Where a person has been convicted of committing an illegal act and the court orders restitution paid to a victim pursuant to some other act, most often the Criminal Code, the court can order under this act that any assets owned by the offender be transferred to the victim up to the value of the restitution order. In order to put the court in a better position to make a restitution payment order, the court can order the person convicted to disclose financial information; that is, to tell the court what income and assets they own. Where a person has been convicted of committing an illegal act and the court that convicted the offender has made a determination as to the amount of the gain made or the value of property acquired by the offender by virtue of carrying out the illegal act and there is no victim to be found and thus no restitution order, the court may order that the offender pay that amount, in accordance with a ministerial order, to an agency or program devoted to addressing the social harm caused by the illegal act, failing which the money is to be paid into the victims of crime fund.

[The Deputy Speaker in the chair]

Where a compensation order has been made by a court, a court may make another payment order to ensure the offender complies with the compensation order by paying money, transferring property, et cetera. Whereas the compensation order says that this is what you must do to help victims, the payment order essentially says: this is how you will do it. In order to put the court in a better position to make a compensation order, the court can order the person convicted to disclose financial information.

In summary, Bill 25, the Victims Restitution and Compensation Payment Act, will make it easier for Albertans to regain their property or to obtain court-ordered restitution for losses suffered as a result of illegal activities. In the past victims had to use a civil lawsuit to have their property returned. Bill 25 streamlines the process through which victims can regain their property or obtain restitution without the time and the financial costs of a normal civil lawsuit. In other words, Mr. Speaker, this is a manner by which we can ensure that victims are not revictimized over and over again by the process.

I would encourage all members of the Assembly to provide their support for Bill 25. Thank you, Mr. Speaker.

I was going to move adjournment of debate, Mr. Speaker.

[Motion to adjourn debate carried]

Bill 26
Trustee Amendment Act, 2001

THE DEPUTY SPEAKER: The hon. Minister of Justice and Attorney General.

MR. HANCOCK: Thank you, Mr. Speaker. I thank the Assembly for allowing me this privilege to get both of these acts on the floor of the Assembly this afternoon.

Bill 26, the Trustee Amendment Act, 2001, I'm very pleased to move for second reading.

It's not a large act, but it's a very significant act, Mr. Speaker. One of the principal tasks of most trustees is to invest trust assets for trust beneficiaries. For example, if a parent leaves a sum of money to an underage child in his or her will, the parent may decide to appoint a trustee to look after the investment of that money until the child reaches the age of majority. Frequently a trust specifically instructs the trustee on how money in the account can be invested. Occasionally, however, no instructions are given to the trustee, and this is the circumstance of the provisions where the Trustee Act comes into play. If a trustee has no instructions as to how to invest, the act says that the trustee may only invest in certain approved investments. This list of approved investments is known as the legal list.

The present legal list restricts a trustee to very conservative categories of investment such as debt instruments issued by certain governments or regulated financial institutions. The idea is that the Legislature can and should prevent trustees from exposing trusts to undue risk by restricting them to investing in safe assets or at least severely limiting the ability to invest in risky assets. However, the downside to this approach is that trustees' investment options have become unnecessarily limited and inflexible. In practice, as the Law Reform Institute has told us, legal lists tend to be long and convoluted, and it is doubtful that a typical, unsophisticated trustee would take much comfort from or derive much guidance from the list.

The objective of this bill, Mr. Speaker, is to replace the legal list approach with a more flexible approach to investing. The Alberta Law Reform Institute has recommended that the legal list in the Trustee Act be replaced with the prudent investor rule. All other Canadian provinces except British Columbia and Quebec recognize the prudent investor rule. Similar rules are recognized in the United Kingdom, New Zealand, Australia, and in many if not most American jurisdictions. While the legal list approach attempts to limit risk by prohibiting trustees from investing in something that has been deemed to be too risky, the prudent investor rule focuses on diversification as a key strategy for managing risk. The prudent investor rule is a variation on the old saying: don't put all of your eggs in one basket. This approach allows a trustee to diversify investments to control risk and improve financial returns to a trust fund. The trustee can use his or her own best judgment when investing funds. The Trustee Amendment Act legislates the prudent investor rule, which requires a trustee to make investment decisions based on obtaining reasonable returns while avoiding undue risk.

The proposed amendments will eliminate the list of approved investments and instead ask each trustee to consider the circumstances of the particular trust. Trustees will need to look at a number of factors including the purposes and probable duration of the trust, the needs and circumstances of the beneficiaries, the need to maintain the real value of the capital or income of the trust, the need to maintain a balance between risk and return, and the importance of appropriate diversification of investments.

Mr. Speaker, the bill also emphasizes the importance of establishing an investment strategy, considering such questions as what risk

level is appropriate to the particular trust, what kinds of returns are most appropriate, and how the trustee can best invest to reflect the purposes and the circumstances of the trust. A trustee will be required to review the investment portfolio at reasonable intervals to ensure that it is still appropriate to the circumstances of the beneficiaries. This new approach does not mean that a trustee will be held liable because in hindsight a different investment strategy would have produced higher returns. Rather, as long as a trustee invests in a manner that is prudent, the manner in which a prudent investor could have invested, the trustee is not likely to be liable for his choices. As is the case with the legal list approach, the prudent investor rule will not apply when the will or other trust instrument outlines specific investment options for the trust.

Mr. Speaker, it's important to point out that we have not eliminated the legal list entirely from the act. It will be maintained as a schedule to the act. In this way those Alberta acts and instruments that refer specifically to the legal list can continue to make use of it. At the same time, however, the Trustee Amendment Act empowers those enactments that currently use the list to adopt the prudent investor rule if and when they are ready to do so at some point in the future.

On another note, the Trustee Amendment Act will allow a trustee to invest in mutual funds. The present act does not allow this.

In summary, Mr. Speaker, the bill allows trustees to tailor their investments to best suit the needs of their beneficiaries by diversifying the portfolio after considering the particular circumstances of the trust. The amendments reflect a course of action adopted by many other jurisdictions around the world and is the approach recommended by Alberta's Law Reform Institute. The prudent investor rule is a practical approach. It emphasizes the importance of intelligent diversification as a means of controlling risk.

In conclusion, I would encourage members of the Assembly to support Bill 26 and the updating of our trustee investor legislation. Thank you, Mr. Speaker.

3:00

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Centre.

MS BLAKEMAN: Thanks very much. I appreciate the opportunity to speak in second reading to the newly proposed Bill 26, the Trustee Amendment Act, 2001. I'm going to have to disagree with the minister right off the top, because although he calls it a minor change, it's a fairly hefty bill. It does get into a good deal of legal detail of what's accepted and what isn't accepted. So while I'm likely to be supporting what's being put forward here in principle, I have some hesitation in that I need to run a feedback loop of the information that's in here through the community to find out any hesitations that they have. However, it speaks well to me that the Law Reform Institute would be recommending that this is the way to go.

I'm remembering when I had my will done, which was this spring, and in reading through it, I had asked specifically about a section that was written into the will. It was the equivalent of what this legislation would now do in that it set out very clearly what a trustee could do. I spoke with my lawyer for some time about it while she sort of set out why it was reasonable and what the expectations were and the prudent investor rule. I think, in fact, that she may have referred to that in the will. So she was writing in essentially this legislation. That says to me that if lawyers are doing this on a regular basis to make sure that it's included in documents that they're drawing up for people because they can't rely on the legislation that's in existence, then we probably do need to look at updating.

As with any change, I always want to know, you know, is there a current problem that needs to be addressed, does this bill address it, and does it cause any problems in itself? Does it cause additional problems that it didn't set out to do?

There are a few things that come to mind. I've already briefly discussed that there are indications to me that there is a need for this bill to allow the trustees under the legislation to go ahead and invest prudently those moneys that are entrusted to them. Therefore, even if you didn't put it in your will, those rules would apply to you once this legislation is enacted. So is there a need for it? Certainly it's useful. I don't know that there's a great crushing, special, urgent need for it, but obviously it's something that the legal community has been considering for some time.

Does this legislation address the problem? It likely does. There's a good deal of legal detail in here, and although I think there's been an attempt here to try and get the language into layperson's terms, it's still a fairly hefty legal document. It's not the kind of thing that most people would pick up for a little light reading on the bus to Calgary. As always, I urge the government to try and make any new legislation or regulations as readable as possible for people. If we want more Albertans to be taking an interest in what we're doing and the laws of the land, they've got to be able to read it. This is pretty detailed and gets into a lot of legal components of what's involved here.

Essentially it's setting out that a prudent investor rule would apply, which has not been the case previously. As I said, as it stands now, if the trustee's investment duties and powers are not specified, then it's not possible to do. This legislation would make it possible that there is enacting legislation that can be referred to if it's not spelled out in somebody's will.

The tricky part of this is always that if a trustee has acted in good faith and with reasonableness, they would not be held liable for any loss. On the one hand, you say: "Okay, that's fair. They can't determine the price of a barrel of oil or whether the mutual funds are going to tank or how the stock market is going to go." I mean, two years ago who would have imagined that all the dot com companies would take a fiery plunge. So, no, I don't think it is reasonable to expect that people can understand that market and be right on top of it. They need to be understanding that they're dealing with somebody else's money. They have been put in a position of stewardship, in a position of trust to look after someone else's money, and often in a trustee situation it's a young person's money. It's a child's money. It's important that we have people who are looking after this money with the best interests of the child at heart.

So that provision always makes me cautious. I do, as I said, think it's reasonable that if the trustee as investor has taken every possible precaution, they would not be held liable if things go wrong. On the other hand, they really have to exercise every possible opportunity for prudence.

There are a few examples that I wonder about. The act does allow for trustees to delegate investment authority to an agent or an adviser. They can be initially instructed by the trustee, but from then on the adviser is doing the work. Now, one assumes that the adviser is in fact a professional who deals in investments all the time, and that's why a trustee would have in fact hired them probably. I think that's where it always gets interesting. I don't deal in the stock market, but anybody that has ever talked to me that did – your stockbroker is taking a cut of every investment that they make: every buy, every sell. They get a little bit of money for doing that. That takes away from the trust fund, so that's a very important and delicate relationship between the trustee and an adviser or an agent to make sure that we don't just end up with a situation where a professional gets paid a lot of money for doing something, and at the

end of the day there's no trust left and the funds in fact have not been held secure for people. So the agents really do have to be carefully selected, instructed as to what the trustee feels is acceptable, and I think there has to be a monitoring and an evaluation process involved in that.

We have the need for the bill. We are looking at whether in fact the bill does address the issues that have been brought up. Yes, in fact I think it does.

So to continue on in looking at some of the things that bring a caution to me or that perhaps could have been done better or perhaps there's an opportunity to amend them as we get into Committee of the Whole, what we had originally was this statutory list of allowable investments, and that was pretty safe. I mean, just look at the old version: securities of the government of Canada or other provincial or municipal corporations. That's pretty safe stuff there. Securities of which the principal and the interest are guaranteed or covered by the Bank of Canada: again, a pretty secure investment.

- (c) debentures issued by a school division . . . drainage district, hospital district or health region . . . that are secured by or payable out of rates or taxes;
- (d) bonds, debentures or other evidences of indebtedness of a corporation that are secured by the assignment to a trustee of payments that the Government of Canada . . . has agreed to make, if the payments are sufficient.

3:10

The old list is very carefully laid out to be narrowly focused on what a trustee could do with the funds. Given the changes that we've seen in the stock market, in what's available there, and the percentage that people are allowed to hold that are out-of-country stocks or mutual funds – there have been a lot of changes in that area in the last 10 or 20 years. I think it's reasonable that the legislation recommends that the trustee is given more latitude with how to invest things, because this list is pretty narrow and would miss out a lot of what's available today. If you are trying to either maintain or grow a trust on behalf of someone else, I think a reasonable person would be wanting to take advantage of that, and you wouldn't have been able to under the old rules.

I already spoke about a trustee that hires an agent or an adviser who then takes a commission on trades that are executed, and I don't think that's addressed in this bill, but perhaps when the minister speaks to it again, he can answer that question for me. I think it is possible for the situation I've described to in fact happen, because it hasn't been specifically addressed in the act, although there are a number of cautions about prudence and the honour of advisers and that sort of thing. It's certainly clear that the trustee cannot profit from the trust, although in a lot of cases a will or a trust may say that the trustee can take expense money, but that's different from making money on every trade that would happen if the moneys from the trust were put into the stock market, a different deal there. I don't think that has been particularly covered here.

I'm wondering – perhaps it's in this bill and I'm not reading it – if there is more monitoring of an agent that's operating for a trustee. If things go wrong, is there a method for the government or an agent of the government to monitor or step in to stop things before they got too far out of hand? So could they, for example, revoke a delegation of trustee powers that had been delegated to an agent or an adviser? Is an agent of the government still able to be involved in ordering the return of profits to the trust if it had been whittled away?

I'm not keen here on a lot of government oversight. I think that makes the process cumbersome. What I'm concerned about is when I look at other areas that exist in legislation that people are pretty much – it's set out in legislation and then you go off and do it. I'll give you an example that I've worked with quite a bit, and that's

under the Societies Act. Once a nonprofit society is registered, there's really nothing in the legislation that sets up monitoring and enforcement if things go wrong. I'm questioning whether that is incorporated in the proposed legislation we see in front of us.

What happens in the Societies Act is that once a year the board of directors is supposed to submit their new list of directors and their previous year's financial statement. The problem is that nothing in the act says: if you don't do it, the following punishments will apply. Increasingly we have more activity in the nonprofit sector here, but there's now nothing in that act that allows any agent of the government or even an agent of the public to insist that there is monitoring and enforcement if things go wrong there. That's my concern with this legislation. We could be talking someone's livelihood or someone's safety and security if they are the recipient of the trust. What's the involvement here to monitor that things are going as they should? What ability is delegated through this legislation for an agent of the government or someone else to step forward and go "This isn't working the way it should be." So who is monitoring it, and who has an ability to enforce that it's going the way it is meant to be?

As we give a freedom or as we open the doors for things to be less regulated, I think at the same time that has to be balanced by some sort of monitoring. I think we get into trouble and this Assembly is not serving Albertans well if we don't follow through on that kind of thing and we leave Albertans out on a limb. I think as stewards and as legislators one of the areas that we often fall down on here is that we don't follow that through and make sure it's in our legislation that we will have monitoring and enforcement of it.

I think what's important here is that both the trustee and an agent or adviser, if that's who becomes involved, have to operate reasonably and we've got the prudent investor rule. It's quite clearly laid out that they should operate under court supervision and they should avoid conflicts of interest.

I will continue to look at this legislation. As I said, I was a bit surprised in that it was a considerably denser piece of legislation than I was led to expect based on my earlier conversations with the minister, so I don't feel that I've had enough time to go thoroughly through all the sections that are being proposed here so that I feel everything is being addressed. It's incumbent upon me to do that, and I will, certainly in second reading when we're discussing the principle of the bill. I can certainly support the principle of what's being put forward here. I'm a little concerned that the specifics of the legislation need to be quite clear when we are allowing someone control over a third party's money. That's my concern, and that's what I'll be spending more time looking at. When we come to this again in Committee of the Whole, I hope that I can go through those clauses one at a time and make sure that all of that is in fact covered.

I believe I have some colleagues who wish to speak to this. I will clear the way to allow them to do that, but thanks for the opportunity to speak in second reading on Bill 26. Thanks very much, Mr. Speaker.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Mill Woods.

DR. MASSEY: Thank you, Mr. Speaker. I'm pleased to make some comments about Bill 26, the Trustee Amendment Act, 2001. At second reading, of course, we're concerned with the principles that the act has been based upon, and it seems to me that a number of the principles here are sound. I first ran into the whole notion of the prudent investment rule when the Standing Committee on Private Bills was looking at a submission by a couple of trusts who wanted the legal list that by law they had to abide by in their charter changed

to the prudent investment rule. I remember that when I first heard it, I was somewhat alarmed, because moneys held in trust like this I believe have to be handled very, very carefully. My initial reaction was that opening up and allowing more flexibility would open the door for people relying on trusts to lose and to be vulnerable to some bad decision-making.

3:20

But as the discussion proceeded and the groups that were administering trusts made their presentations and the experts that were brought along to support their position for the change made their cases, I became more and more convinced that it made sense. So I think the amendment of the Trustee Act and the big shift in it that allows the trustees to diversify portfolios by using the prudent investor rule is a good move and one that will ultimately benefit those people who depend on others to administer their financial affairs. As has been stated by the minister, this most commonly involves young children who have not yet reached the age of majority, so it's important that those trusts that are held for them are well managed.

As the preceding speaker indicated, the trustees are at the current time extremely limited in terms of the kinds of financial instruments they can place money in by current legislation, and being restricted works in many cases against the interests of the people they're holding money in trust for. So increasing that kind of flexibility for trustees I think is a wise move and one that will benefit those who have money held in trust.

There are a number of questions and a number of qualifications. Some of those qualifications surround the selection of an adviser. A trustee now under this legislation is able to delegate authority or some of the authority to an adviser, to a financial adviser. Although there are constraints in terms of that adviser and in the selection of that adviser, the trustee ultimately continues to be responsible for decisions that are made. One could foresee difficulties if an adviser is selected who is less than competent and would provide advice that would ultimately hurt the investment that is being handled on the part of the trustee.

Some of the constraints I think are open to interpretation. The whole notion of reasonableness, that a trustee has to take into account the reasonableness of the advice that he or she receives from an adviser, I think does open the door to a very, very wide interpretation if anyone were to question the actions of a trustee. What is reasonable to one may seem quite unreasonable to someone else, particularly when it's in the area of investments and those that are involved in the stock market. You don't have to read many books on advice to investors to see the kinds of wide range of opinions that you can get from so-called experts on any one investment decision, so there is some danger in allowing a trustee to delegate some of her or his powers.

The introduction of commissions that were not previously there is something that again may work against the interests of someone who has a trustee handling their investments. Although there were commissions paid before, I think it's quite different when you have someone handling an entire portfolio. I think standard rates for handling an entire portfolio would run in the order of 2 percent a year on the sums invested. That can start to amount to considerable sums of money, and I think that introduces a whole new area in terms of what is done with investments by trustees.

The adviser is in quite a different position from the trustee, and the responsibilities are really quite different one from the other, so it's a concern and I think a concern that we'll probably hear more about when the bill enters the committee stage. I think it can be argued that there are some provisions that safeguard the beneficiary,

but whether those safeguards are wide enough or do the job is a question that we'll be looking at rather carefully as the bill moves through the Assembly. There are, as I said, some safeguards now. The court can remove or appoint an adviser. The court may revoke a delegation of trustee powers to an adviser. An adviser must disclose all the remuneration and benefits that he or she might receive from a transaction. The adviser must operate under the same conflict of interest guidelines as a trustee. The court can order an adviser to return the profits to the trust. The trustee remains liable for the adviser.

So there are built in some constraints, some checks and some balances. Whether they are adequate, as I said, we'll be taking a closer look at as the bill enters the committee stage. But I think the underlying principles – and there seem to be at least four major ones: first of all, that the legal list restricts the actions of trustees; secondly, that the prudent investor rule would allow trustees to diversify portfolios in the interests of those who they hold money in trust for. The third principle, that trustees can delegate some investment authority, I think is the essence of the act. I think the important principle in the legislation is that trustees cannot be held liable for investment decisions, and that may be a principle that we want to come back and re-examine in terms of its soundness.

One of the overriding comments that I think can be made is that the act does bring legislation in our province into line with legislation elsewhere. I think that that kind of consistency is appropriate.

Those are my comments at second reading, Mr. Speaker, and I look forward to the bill moving to committee stage. Thank you.

[Motion carried; Bill 26 read a second time]

3:30 **Bill 25**
Victims Restitution and Compensation Payment Act

[Adjourned debate: Mr. Hancock]

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Centre.

MS BLAKEMAN: Well, thanks, Mr. Speaker. This is my special day: two bills in one day. I'm speaking now in second reading to Bill 25, the Victims Restitution and Compensation Payment Act. This, in fact, is a new bill, which you don't see that often in this Legislature. Most of the proposed bills we deal with are in fact acts amending existing legislation. So this is brand new.

Again I'm looking at whether there is a need for the bill, whether this bill addresses that need, and whether there are any real concerns raised by the way the bill is worded. I'm not sure if this is true – it may well be just my imagination – but I rather fancy that the need for this bill comes out of the whole drug culture and how it has changed North American society, because I know that that culture brought us just enormous amounts of money and also enormous profits, enormous property purchased – and there are all kinds of terms that I'm just not up on here – illegally gained or wrongfully gained. That's how it is. I think that's what's underlying this bill: how do we set it up so property that has come into existence as a result of a crime or a wrongful act can either be returned to the person it was taken from or somehow used to benefit society at large?

Secondly, if there is something out there – cars, the example that's usually used – that we know is being used in a crime, but the car itself is not the crime, how do we get at taking that vehicle away? It is facilitating crime, but it isn't the crime itself. If it's sitting outside of a school, it's not doing anything wrong. It's just parked there. But if drugs are being sold out of the trunk – you know, the car's not being driven; it's not being parked illegally. Still, if there was no trunk to put the drugs in, they wouldn't be sold outside of the

school. So how is it possible for the police to get at some of these vessels – maybe I'll call them that – that are used, especially in the drug culture?

I think the other thing that is also addressed in this new bill is that the victims, before, had to go to court at their own cost to try and recoup any property, and what this bill is setting up is that the minister can go to civil court on behalf of the victim or on behalf of other victims at large. If there wasn't a specific victim in a crime, they can do it on behalf of a set of victims that aren't specifically involved in what was happening here.

So is the bill necessary? Well, probably. Could we have gotten along without it? Yes, I think we probably could have. I mean, there are other ways to get at this. As I mentioned, the victims right now go to civil court on their own. They can certainly continue to do that. What this is doing is empowering the minister to go to court on their behalf.

DR. TAYLOR: That's exactly what we want.

MS BLAKEMAN: Oh, the Minister of Environment is very eager to join in the discussion, and I'm sure he'll be jumping to his feet right away to speak as soon as I'm finished and not while I'm speaking. I'm looking forward to that. [interjection] I still have the floor.

So this is trying to work on wrongfully obtained . . .

Speaker's Ruling
Decorum

THE DEPUTY SPEAKER: Hon. member, I just wanted to reiterate, in a sense, what you're saying and remind hon. members that the custom is that only one person speaks at a time. The hon. minister will have ample opportunity in the time this afternoon or in the weeks to come to get in on Bill 25, but right now Edmonton-Centre is the only member who has been recognized.

Edmonton-Centre.

Debate Continued

MS BLAKEMAN: Thank you very much, Mr. Speaker. I was just reviewing what was actually being covered in the legislation: the wrongfully obtained, the victim's restitution, and taking the onus off the victim to recover. So this is really allowing the Crown to commence an action to take property away.

One of my concerns is always that when you start giving the police more powers, more laws to enforce as we write more laws, how much is that impacting on an average person, and what are the chances if a mistake is made that it can be rectified quickly? Certainly mistakes get made. They get made all the time. They get made by computers; they get made by people. They get made in all kinds of different areas. We have to be really careful when we're playing around with the ability to lock people up or take away individual freedoms or take away property that we have lots of checks and balances in place.

I need to go through this legislation more carefully, but I noticed a few things in here. There is a section that notes that when a court is commencing a property disposal hearing, it will happen "not later than 45 days from the day of the granting of the restraint order." Well, that's six weeks. Six weeks is a fairly long time. I think that's why the legislation also allows that the police can put literally a restraining order to stop the property from being disposed of. There's a long list in the legislation about under what circumstances. If a police officer believes that the property is going to melt or disintegrate or lose its value in some way, this allows the police to take control of it and to sell it or somehow hang onto the value of it.

We have to be so careful here when we enact legislation that empowers the police to be doing that.

One of the things that came out to me very quickly is that we're not talking about people who have been charged and convicted. We are talking about people who've simply been charged and in some cases, as far as I can tell, not even that. It's about the property, not the individual who has committed the crime. So we can easily end up in a situation where property is taken from someone who hasn't even been to court yet and hasn't been convicted and may never be convicted, but their property has already been taken and – who knows? – disposed of. At that point you've created another victim down the line.

One of the other areas that I'd like the minister to respond to is: how much consideration is given to creating other victims further down the line? I'll give you an example. If we have someone whose vehicle is taken for whatever reason under this legislation and that person drives for a living or has to have a car to make a living, whatever that is, they can no longer earn money. But they have a maintenance order against them, and that maintenance order, of course, is in support of children. We've now created a second victim in this scenario. How is that balanced by what's available in this legislation? If the police can be taking away a car because they believe that it was wrongfully obtained but that takes away someone's ability to earn an income and to pay a maintenance order, we've now got a child further down the line that isn't getting the maintenance money that they are entitled to and that a court has ordered for them. This legislation has then created a victim. How does that victim have recourse then?

3:40

So what are the checks and balances that the minister is willing to uphold with this legislation to make sure (a) that we don't create additional victims further down the road and (b) that we're darn sure that we are not unreasonably seizing people's property without having a pretty good reason why we're doing it? I have noted that there's a long list of things that a police officer is supposed to be looking at before they seize something or before they give a restraining order on something. Those lists always look really good, but it's time proving further down the road what should have been an obvious loophole to us.

So that's why I get concerned with new legislation, and I'd be interested in hearing from the minister what the process was in developing this. Whom did he consult with? Where did this idea come from? How many times has it sort of been through a feedback loop? I've sent it out to my advisers, but it's not a thin document. I mean, this thing isn't two pages long; it's a good 40 pages and filled with legal beagle stuff. How did this come into being, and what safeguards has the minister put in place? Or was this somebody's idea who was just sick of looking at that drug car being parked in front of the school and wanted a way to get rid of it? What have we done to make sure that we are not imposing something on the public, on Albertans, that puts them in a position of being more likely to have police interference in their life or with their property? I think that if legislation like this works well, great, but it has to be balanced with not having additional police presence in people's lives or additional legal or court presence in their lives. I'll move off that topic, but the minister can certainly see where I'm trying to get with that. It's to make sure that we don't put Albertans in a worse case than before we actually passed the legislation.

The Crown has to prove on a balance of probabilities that the property is the proceeds of an illegal act, and then a civil action will be used to institute a property disposal order. Property could be returned to the lawful owner. That's probably the most direct part

of this legislation, the most obvious part: if someone had property stolen from them and the police are able to identify it, then it can be got back to them. That's very straightforward. But life is not usually straightforward, and certainly what the criminal mind is capable of is never straightforward, especially when you've got drugs involved, because then it gets really kooky.

One of the things that I did like in the legislation was an understanding that sometimes – and I don't like this term, but I'll use it because everyone understands it now – there are victimless crimes, or there are crimes where you can't identify one specific individual or group of individuals as the victims of the crime. In that case, under this legislation the minister can be going to court to dispose of these assets, whatever they're allowed to do here, and the proceeds from that can go into a victims' crime compensation fund. We do have one that is set up in Alberta, and the money from those funds is available in response to an application from groups who provide services for victims or for Albertans. So, for example, the battered women's shelters have been able to access money there for special programs. John Howard, Elizabeth Fry, the Sally Ann, or a number of agencies that are offering those programs can apply for this money. I like to see that the minister in proposing this legislation has thought of that and has incorporated it into the proposed bill.

I listened carefully to the way the minister was describing this act. He actually went through it very quickly. I am looking forward to his responses to the issues and questions I've brought up so far. For most of what appears to be in the legislation, there is no current provision. There's no way to do this. So this is truly enabling legislation.

Those are the questions that I'd like to raise and hear back from the minister on. It's a unique piece of legislation. That's one of the other questions I had. Does anybody else have legislation like this? That's one of the things I was listening for from the minister. He did mention it in connection with the other bill that the minister has up before the Assembly today but not in connection with Bill 25, Victims Restitution and Compensation Payment Act. So I'm interested in where else this exists and where else it's working and what lessons we can learn from that. Where have the loopholes developed? Has this legislation addressed those loopholes in the way we know it can go wrong or be misinterpreted?

Those are the remarks I'd like to bring forward in second reading. In principle I think I am in favour of this bill, but I'd like to get some of those questions answered and get a lot more information around this before I can give it full support. I appreciate the opportunity to bring forward the questions that I do have.

Thank you very much, Mr. Speaker.

THE DEPUTY SPEAKER: The hon. leader of the third party.

DR. PANNU: Thank you, Mr. Speaker. I rise to speak on Bill 25, the new bill, Victims Restitution and Compensation Payment Act, in its second reading. At the outset I want to acknowledge that the minister, last week I guess, invited the two opposition parties to a briefing in his office on the bill as it was being drafted and redrafted. I want to thank him for taking this step. It certainly helps in understanding the reasons behind the minister's decision to initiate such legislative action.

Having acknowledged that, I want to come to the general observations on the bill. Victims' restitution and compensation payment is an important issue. I and my caucus fully support the idea that the victims who suffer from acts of crime by people who commit them are entitled to restitution and compensation for the losses that they suffer and that criminals, people who commit criminal acts, should not be permitted to enjoy the proceeds of

crime, benefit from the proceeds of crime. So in general, insofar as it is this principle, this set of considerations that is embodied in the bill and that drives its details, we are in support of the bill to a degree, but there are obviously questions.

3:50

It's a fairly far-reaching bill because it does deal with issues of private property and the rights to private property. It does deal with the distinction between criminal conviction and the ability that this bill will give to law enforcement agencies and the minister to proceed with action against individuals who may not be convicted under the Criminal Code yet may be taken to the civil courts. As a consequence and conclusion of the civil court proceedings, the individual who is criminally not held to be guilty may be held guilty using the different judicial and procedural conventions of the civil courts.

So there's a bit of a tension, a difficulty here that I would want to draw the attention of the House to. We need to address it and address it very carefully so that in our zeal to help the victims, we don't violate, at least in spirit, some other fundamental principles that we also are committed to; that is, not to be treated as guilty unless proven to be so. You know, that's an important principle in our system of justice. It's a fine line that will have to be treaded if this bill becomes law. So when we have an opportunity to study the bill in detail, we will certainly be asking those questions as we go clause by clause and section by section in the bill and see to what extent the provisions of the bill measure up to some of these fundamental principles that all of us want respected and want ourselves to recognize and make part of our decisions and practice.

Since this is a complex piece of legislation and bears careful scrutiny, one of the questions that has come to my mind is the relationship between the provisions of this bill and the federal proceeds of crime act. Where are the overlaps? Where might there be some territorial issues that need to be sorted out? On the whole question of seizure of property, which I think is also provided for in the federal act, who has the first claim to the proceeds from the property that may be seized and disposed of, given the fact that there already is in place federal legislation dealing, at least in part, with what this bill purports to deal with? There is the question of to what extent the provincial act steers clear of any potential contradictions and conflicts between the two pieces of legislation. We need to pay attention to that question, and I hope the minister will have more to say on it. Given the resources at his disposal, he is surely in a position to address some of these questions and have them addressed in his department through the legal expertise available to him. I would like to hear him on this. How do we ensure that both the federal government and the provincial government are not chasing the same proceeds of crime? That's a delicate matter, and we need to address it.

Another question that comes to mind is that it certainly will increase the work of the courts. The legislation will allow the Minister of Justice to go to the Court of Queen's Bench to do several things: to keep someone from disposing of the proceeds of crime and to conduct property disposal hearings. This certainly adds to the work that courts will be faced with. What we know about the workload in the courts and the delays and the waiting times already is a reality as a result of the shortage of resources in the court system and the justice system. So I have some questions about this. What does the minister plan to do with this? How much more work does he anticipate his bill will create? In a sense, that also speaks to: how significant is it for us to pass this bill? How big is the problem? If the problem is big, if it's going to generate lots of new and additional work for the courts, then how does he propose to address the

problem that will result from the passage of this bill and its enforcement, that will follow?

The civil courts, obviously, will also have additional demand on their time, and similar questions therefore arise there. The magnitude of the problem, the amount of resources that will fall into the hands of the government or go back to the victims, I think needs to be known. What's the amount? What kind of amounts are we talking about? Why should we answer that question? Why should we have asked this question? Because we have to weigh that against the cost to government of proceeding with this bill and then implementing it. Will the costs of making the changes that are being proposed here weigh favorably with the benefits that may be derived from them? I need some sort of assessment from the minister about the situation out there and what kind of revenues he thinks will flow from it that will compensate both the treasury, in terms of the additional costs it will incur, and generating funds for actually compensating the victims of crime.

Another question which has already been touched on: is there something that we learn from other places, other jurisdictions that may have already had some experience with similar legislation? The questions that I just posed perhaps can, to some degree at least, be answered if such an experience is available elsewhere. Has the minister done this kind of work to see to what degree such a law has achieved the objectives that certainly justify bringing in this piece of proposed legislation to the Legislature? Are some of the other provinces already in a situation where they may have tried similar measures and therefore have some experience that we can learn from? Is he looking across the border in some U.S. states? What's their experience? Does it also help reduce the probabilities of the commission of crime in addition to increasing the probabilities of compensating the victims of crime? These are questions that need to be addressed and addressed seriously.

What happens if a wrongful conviction results from the civil courts? Courts, as we all know, are not infallible. We've seen that in the case of criminal courts. We have seen it in the case of people who get convicted for murder, and then years down the line we find that they were innocent. What happens if mistakes are made? What happens if property is disposed of under Bill 25 – if it becomes law, you know, tomorrow – and it's subsequently found that it had no link to a criminal action? Would the Crown be liable to compensate someone whose property had been inappropriately disposed of? These are important questions. We all agree that courts make judgments on limited information, information that's put before them, and the information that's put before them, we know with the benefit of hindsight, can sometimes be so limited as to not provide the basis for a sound and appropriate judgment.

4:00

Again, another question. The minister is seeking, I think, fairly wide-ranging powers from the Legislature, a balance between the executive's ability to undertake certain actions and the ability of the Legislature to keep control for such vital matters as the rights to private property, as the ability to compensate victims, as the ability to fund organizations which do work which helps victims and all that.

Division 2 of the bill, Payment of Compensation. I was looking at page 32 and particularly the sections on grants, the victims of crime fund. The minister is seeking fairly wide and broad powers from the Legislature so that he can on his own make these decisions, which in my view are fairly important decisions. To what degree should the legislative say in those decisions be maintained? I will be able to say more on it as I look more closely at this, but in reading through it, the questions that came to mind had to do with the

appropriate balance between the legislative power and the executive power. The minister, in my view, is seeking very, very wide-ranging powers here that deserve and merit very careful scrutiny by this Legislature.

I understand that this bill will also be exempt from the provisions of the Regulations Act. We won't have an ability to tell the minister that some of these regulations that are drafted either don't express the spirit of the act or go beyond it or give him too much power. So there'll be really no compensatory opportunity for the Legislature to go back to the minister and say: "Look; this is not what the bill was about. This is what you have usurped as power, which is not really in our judgment indicative of the intentions of the act itself." So there are these issues.

I know that the minister is well-meaning. I know that the minister was careful in listening to some of the exchanges that we had with him during the briefing, and he conceded that there was a need perhaps to tighten the role of the courts in the whole process of seizing property and disposing of it to compensate victims. So he sees some risks, some dangers. They may be potential, but they're here. I think the Legislature would be well advised to ask some of those tough questions at this stage to help the minister and the Legislature to improve the bill. While it does give strong assurance to the victims of crime that they will be compensated and certainly sends out a strong message to criminals who commit criminal acts that they will not be able to benefit from the proceeds of crime, at the same time we want to make sure that the due process of law and the conventions of our justice system are fully respected and, in fact, reinforced by the provisions of the act by the time it becomes a final piece of legislation.

With that, Mr. Speaker, I'll close my remarks on second reading.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Mill Woods.

DR. MASSEY: Thank you, Mr. Speaker. I appreciate the opportunity to make a few comments about Bill 25, the Victims Restitution and Compensation Payment Act, in second reading, where we're looking at the principles of the bill.

I'd like to preface my remarks, Mr. Speaker, with some observations that I made about the School Act when Bill 16 was under consideration last week, and that is the plea for plain language legislation. It seems to me that there are some acts that so directly involve the public that they cry to be written in plain language. The School Act, I think, is one of those acts because of the interest that the general public has in it, the number of people that have to read that legislation. It seems to me that this bill is another one that demands plain English.

I know that we aren't supposed to consider the specific sections of the bill at second reading, but there are some classics in this bill in terms of obscure legal writing. I think they do a disservice to the drafters of the bill and to the government's intentions when that kind of language is such a major part of legislation like this, legislation that's read by people who have been victimized and are seeking some redress and their friends and those who are possibly offering them advice. So if ever there was an act that should have been written in very understandable plain English, I think this is one of those acts, and I think I'll have some more to say about that when it reaches committee stage.

Nevertheless, the bill rests on a number of principles and important principles, Mr. Speaker, that arise, I think, out of a growing intolerance on the part of Albertans and the public for criminals and the kind of injustices that have existed when criminals were allowed to undertake their activity and those that they victimized were left to

suffer the losses. So it's arising, I think, out of that general public sentiment that there was an unfairness and that that unfairness needed to be addressed. The basic principle is that the loss of the victims should be compensated by those individuals responsible for the loss. That just seems to make good common sense and I think serves as a warning to people who would take advantage of others that they are going to be called upon to make retribution.

A second principle is that a person's right to pursue other remedies shouldn't be limited. The act makes it very explicit that if a victim moves under this legislation, that in no way restricts his or her ability to seek redress in using other avenues, and I think it's an important principle and one that needs to be maintained.

Another principle that seems to play some importance in the act is that the minister should play a central role in compensation and restitution. I'm not sure that that's a good thing. I think that if you go through the act and look at the number of times the minister is called to take action, you can't help but feel that there's an overinvolvement of the minister in the whole process, and I wonder if it's appropriate for the minister to play that role.

Another principle that has been mentioned and that I'm sure is going to be a matter of public discussion before the bill has passed is that of actions being taken before charges are actually laid. We can recall that we had a similar discussion in the last meeting of this Legislature when police were given authority to take roadside actions without reference to the courts. I recall that at that time there was a great deal of concern expressed by various groups in the province at that being allowed to happen, and the same can occur with this legislation, that the peace officers are allowed to take property and are allowed to take action before an individual is actually charged. Now, there are some good reasons in the bill for that to happen, but again I think it's something that we shouldn't undertake as legislators without very, very careful consideration and assurance that safeguards have been built in to protect those people who haven't been charged and may not ultimately be charged with a crime.

4:10

Another principle is that it seems that it should be made far easier for victims to regain their property or to obtain restitution, and that's a good principle, Mr. Speaker. For far too long I think many victims have felt that it was just too much work, that it was just too difficult many times to go after restitution or to get their property returned, that the system was too complex, that it just involved too much time and energy, at least for some of the minor cases, for them to get involved. This legislation is intended to make it much easier.

There are some other principles and sort of subprinciples that we could look at; first of all, that property shouldn't be disposed of prior to a case being heard. I think it's going to be important for that to be upheld, that people being charged will not have property taken away before the case is heard.

There are a number of other comments that can be made, but I think the length of the bill – it's 37 pages of rather detailed explanation in terms of how the process is to proceed – demands the kind of detailed look that committee allows us to take. So I'll wait until that opportunity arises to pursue that.

Thank you, Mr. Speaker.

[Motion carried; Bill 25 read a second time]

Bill 23 Regulated Accounting Profession Amendment Act, 2001

THE DEPUTY SPEAKER: The hon. Member for Calgary-Currie.
[some applause]

MR. LORD: Well, thank you, everyone. Thank you, Mr. Speaker. I'm pleased to rise today to move second reading of Bill 23, the Regulated Accounting Profession Amendment Act, 2001.

Now, before I start, I would like to acknowledge the contribution of the three accounting organizations to the development of these amendments. Representatives from the Institute of Chartered Accountants of Alberta, the Society of Certified Management Accountants of Alberta, and the Certified General Accountants' Association of Alberta worked closely with staff from Alberta Human Resources and Employment to identify these amendments to improve the Regulated Accounting Profession Act. All three accounting organizations strongly support the amendments proposed by this bill. My colleague the Hon. Greg Melchin sponsored the Regulated Accounting Profession Act in 1999, and you can always count on him.

[The Speaker in the chair]

Since then, supporting regulations developed in collaboration with the three accounting organizations underwent extensive stakeholder consultation, and it received royal assent in December of 1999. During this time, the accounting organizations also developed or revised bylaws, resolutions, rules of professional conduct, and related policies. The Regulated Accounting Profession Act came into force on September 13, 2001. The Regulated Accounting Profession Act brought the legislation for the three accounting organizations under one statute and replaced the Chartered Accountants Act, the Certified Management Accountants Act, and the Certified General Accountants Act.

The new act provides for a common regulatory framework for registration, complaint investigation, discipline, appeal hearings, and professional governance. There are separate schedules in the act, one for each of the three accounting organizations. These schedules address profession-specific requirements such as protected titles and transitional needs.

Six key principles are incorporated into the new act. The paramount principle is to ensure the public is adequately protected when seeking services from the accounting profession. Secondly, the profession's competency, credibility, and integrity are maintained. Thirdly, professional regulation should be flexible enough to permit businesses in capital markets to operate effectively without unnecessarily constraining the ongoing work of commerce. Fourthly, complaint and appeal processes should be transparent to the public, and information on the professional status of members should be credible and easily available to all Albertans. Fifthly, the regulatory processes should be fair and the principle of natural justice observed throughout, and decision-makers should be held accountable for the decisions that they make. Finally, the professional regulatory system should support the efficient and effective delivery of accounting services.

While staff at Alberta Human Resources and Employment were working with the accounting profession to bring the new act into force, a few amendments were identified to fine-tune the legislation by clarifying wording and policy intent and by correcting or updating provisions and references.

The proposed amendments for the Regulated Accounting Profession Amendment Act have 12 sections. Section 1 provides authority to amend the act. Section 2 amends definitions to reflect the current titles used by the Society of Management Accountants of Alberta and to correct the reference in the definition of practice review. Sections 3 and 7 extend regulation-making authority to include retaining information about applicants for registration, including the need for complete registration applications. Sections

4, 5, and 9 clarify bylaw and regulation authority respecting practice standards and the definition of professional services and provide for consistent use of the term "specialty." Section 6 clarifies the conditions to approve an applicant's registration. Section 8 clarifies that the exemption from registration by public accounting firms and professional service providers applies only to specified services. Section 10 clarifies the definition of employer. Sections 11 and 12 correct and update the protected titles used by the Certified General Accountants' Association of Alberta and the Society of Management Accountants of Alberta.

That concludes my remarks, Mr. Speaker. Thank you.

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

MR. MacDONALD: Thank you very much, Mr. Speaker. At this time I would like to get on the record a few comments regarding Bill 23, the Regulated Accounting Profession Amendment Act, as presented to the Assembly by the hon. Member for Calgary-Currie.

Now, certainly this is amending existing legislation and providing a consistency with other similar statutes. However, it's not long since this act was developed, but I would urge all members of the Assembly to support these amendments, as certainly the Regulated Accounting Profession Amendment Act, which originally was passed, was perhaps done in haste. When I say that, we see these corrections – some would call them simply housekeeping – and we have to be very careful, Mr. Speaker, in scrutiny of all legislation as it comes before the Assembly. [interjection] The hon. Member for Edmonton-Centre states that one must always remain vigilant, and she's absolutely correct with that assessment.

This act does, effectively, provide simplified legislation for Alberta's three self-regulating accounting agencies, which were mentioned by the previous speaker. These changes, I've been assured, will ensure that the act is interpreted correctly.

4:20

Now, there has been quite an extensive consultation process. Sometimes there is a perception, Mr. Speaker, that employees of the Crown or civil servants are not doing their jobs or they're not working diligently. Well, this certainly is not the case when one looks at the correspondence that has come from the Chartered Accountants of Alberta, the Certified Management Accountants of Alberta, or the Certified General Accountants' Association of Alberta regarding this issue. All these pieces of correspondence are addressed to one specific individual, in this case the manager of professions and occupations, Adrian Pritchard. This gentleman is obviously doing his work so that there is a better Alberta for all, whether one is an accountant or one is a client of an accountant or their office.

In conclusion, Mr. Speaker, I would like to say that I support these amendments as proposed. Thank you.

THE SPEAKER: The hon. Member for Calgary-Currie to close the debate.

MR. LORD: Thank you, Mr. Speaker. I'm pleased to see that this bill seems to have met the expectations of the stakeholders in the industry as well, apparently, as those of the opposition and hopefully of this Assembly. So I'm very pleased to hear those comments and certainly can assure everyone that any questions and concerns that do come forward will be directed to the stakeholders involved in the drafting of this act.

As to our actions today, Mr. Speaker, I would urge all members to support second reading of the act before us as it covers a number

of relatively minor housekeeping-type issues and assures that the membership that is being governed by this act feels comfortable that they're able to do so in complete compliance, that all the i's are dotted and the t's are crossed, so to speak, with the precision that is a hallmark of their profession.

I would again just reiterate that the major goals and principles that this act is proposing to foster within the accounting profession are centred around protection of the public when seeking professional services from accountants and, furthermore, to not just maintain but indeed to foster even more competency, credibility, and integrity than already exists now in the accounting profession. I think it's an admirable goal.

With this in mind, Mr. Speaker, I close debate and ask for the Assembly's support for second reading of this bill.

[Motion carried; Bill 23 read a second time]

Bill 24 Regulated Forestry Profession Amendment Act, 2001

THE SPEAKER: The hon. Member for West Yellowhead.

MR. STRANG: Thank you, Mr. Speaker. I'm pleased to rise today to move second reading of Bill 24, the Regulated Forestry Profession Amendment Act.

I would like to acknowledge the significant contribution of the foresters and forest technologists to the development of these proposed amendments. Representatives from both the Alberta Registered Professional Foresters Association and the Alberta Forest Technologists Association worked closely with the staff of Alberta Human Resources and Employment and Alberta Sustainable Resource Development to identify these amendments that improve the Regulated Forestry Profession Act. Both professional forest associations supported the amendments proposed by this bill.

I had the honour of sponsoring the Regulated Forestry Profession Act in 1999. Since then, the proposed regulations have been developed in collaboration with two forest organizations. Recently the two associations jointly sponsored a series of community meetings to review the proposed regulations with their membership. During this time the forest organizations have also been developing and revisiting supporting bylaws, standards of practice, a code of ethics, and policies required to bring the new act into force. External consultations are also under way with organizations in the industry and other professional organizations to meet the requirement of the agreement on internal trade.

The new Regulated Forestry Profession Amendment Act will replace the Regulated Forestry Profession Act and consolidate the regulations of two professional forest organizations under one statute. The new act was developed to improve the quality of forestry service in Alberta by improving the regulations of foresters and forest technologists. By continuing to ensure the quality of our forest professionals, the act contributes to protecting Alberta's sustainable forest resource.

The Regulated Forestry Profession Act is a statute modeled on the Health Professions Act. It has two sections: a common section establishing registration, professional conduct, continuing compliance, and appeal processes and governance and accountability requirements; and two schedules, one for each forest profession, which protect forest-specific titles and provides for transmission requirements. We're working with the forest professionals to develop the regulations that will bring the new act into force, several amendments that will improve the legislation by clarifying words

and policy intent, and by correcting or updating provisions and references where identified.

To ensure consistency with current government policies for professional legislation, we are considering relative amendments to the Health Professions Act introduced by the Miscellaneous Statutes Amendment Act, 2000, and proposed by Bill 18, the Health Professions Amendment Act, 2001.

The proposals for the Regulated Forestry Profession Amendment Act have 26 sections. Section 1 provides authority to amend the act. Sections 2 and 25 clarify the authority of the regulatory body to approve education programs for registration and require consultation with the Minister of Human Resources and Employment and with the Minister of Learning for changes to education program approvals.

Section 3 clarifies eligibility requirements for public members. Sections 4 and 8 clarify information required for registration and practice permits and enable the regulatory body to recognize professions from other jurisdictions for registration. Section 5 clarifies the conditions for the approval to register a complaint.

Section 6 changes the plural to singular for consistency and adds a requirement to identify time restrictions on a member's practice in the professional register. Section 7 provides for superceding or canceling a practice permit if a renewal application is not received. Section 9 removes unnecessary cross-referencing. Sections 10 and 11 clarify that the registration or practice merits or both may be canceled, reinstated, or reissued and provide authorization for names of deceased members to be removed from the register. Section 12 clarifies that regulation is mandatory for a member teaching students, members, or both.

Section 13 clarifies the authorization of a council to establish continuing competence programs. Sections 14 and 22 clarify when the continuing competence committee may make referrals to a complaints director and protect the confidentiality of information collected on members through the continuing competence program. Section 15 provides authority for the complaints director to attempt to resolve a complaint. Section 16 permits the complaint director to act on a referral from the complaints committee. Section 17 permits the identification of parties in the alternative complaint resolution process to be revealed only if permitted by a ratified settlement agreement.

Section 18 clarifies that an investigation person may be required to pay the expenses of the investigation or hearing or both. Section 19 clarifies the reference to court to mean the Court of Appeal. Section 20 clarifies the rules of access to information about regulated members and notification requirements, updates the definition of employer, and corrects a cross-reference. Section 21 clarifies that the complete registration applications must be retained for at least 10 years.

4:30

Section 23 clarifies the regulation-making authority for the evaluation, registration, and practice permit applications, reissuing practice permits, reinstating registration, and information requirements for registration applications. Section 24 clarifies the bylaw-making authority concerning reinstatement and provides authorization for the regulatory body to recoup the cost of accreditation. Section 26 clarifies the standards of practice and not a type of code of ethics.

In conclusion, the amendments to the Regulated Forestry Profession Act establish clear, accountable requirements and provide the authority of self-regulated professions to respond to the public expectations through more transparent and consistent registration compliance and professional conduct requirements. The degree of

collaboration between the forest industry, the professional foresters, the professional forest technologists, and the government in developing both the new act and the proposed amendments has been extraordinary. In the future I would hope to see more examples of this level of industry and professional participation in other sectors.

Thank you very much, Mr. Speaker.

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

MR. MacDONALD: Thank you very much, Mr. Speaker. I rise to speak on Bill 24, the Regulated Forestry Profession Amendment Act, this afternoon. I have had a series of consultations with people on the RITE line from all across the province on this initiative. Certainly, I appreciate the meeting that was organized this morning by the hon. Member for West Yellowhead along with, I believe, eight other individuals and myself and a member of the Liberal research staff. We had quite a discussion on this bill.

I entered the room with the hon. member, and I saw a large painting on the wall. I don't know whether it was a Percheron or a Clydesdale, but it was a workhorse. Immediately I thought of the experiment that occurred in the forest out by Hinton. I couldn't decide whether it would be a technologist or a forester with a university degree from Alberta who would be overseeing the experiment. It was an experiment to see if we could keep the forest intact as we selectively log. I suspect that that painting was in recognition of that experiment. I haven't heard any of the details of that experiment: whether it was economically viable, what happened, whether it occurs in the winter, or whether it is occurring all the time. That is just one example of what individuals involved with the forestry profession do in this province.

We have seen a remarkable growth in the forest industry in this province. In the mid-80s there was a significant effort to diversify the Alberta economy. We saw a large number of projects go ahead, and there are others on the drawing board. One would have to assess what role the foresters will have, whether they have a degree and they're registered with the Alberta Registered Professional Foresters Association or they're technologists and they're with the Alberta Forest Technologists Association, whether they are the ones that are going to be conducting the accurate forecast of the per cubic metre of timber harvest that will be available in this province.

We have to ensure that there is a sustainability to the timber harvest, and I'm not convinced that the studies that have been done to date have been accurate. Now, individuals in these professional associations certainly are going to have a say in those discussions as to just precisely, regardless of the forest region, how many cubic metres of wood there are. Heaven forbid if there is not the supply of harvestable timber that we originally thought. One has to be careful but, at the same time, recognize the importance of these professional groups and the members within them.

Certainly with this amendment act, Bill 24, we will amend existing legislation for consistency with other similar legislation, including the Health Professions Act. The group this morning was helpful in addressing not only my concerns and to a certain degree the concerns of the people on the RITE line but also the concerns of Mr. Smolak, the researcher. Matthew Smolak has been keeping his eye on this legislation and doing a very, very good job of it.

The hon. member earlier spoke about addressing issues of registration, professional conduct, and governance requirements for both associations. In essence, if I'm to understand correctly, it gives the two associations and their members equal status under the act. Forestry technologists, as I understand it, may work independently or under the supervision of foresters. There are a lot of general activities, Mr. Speaker, that they can be involved in, whether it's

reforestation, surveying, measuring, and mapping forest areas. That is of the utmost importance if we are going to continue to have a viable forestry industry in this province. They can keep records on the amount and the condition of each load of logs. They can supervise road locations and the construction of access roads. They can inspect trees and collect samples of plants, seeds, foliage, bark, and roots to record insect and disease damage. They can assist in laboratory field experiments of plants, animals, insects, diseases, et cetera, supervise timber harvesting in primary processing operations, also do log scaling, or measuring the volumes of a cubic metre of, I guess, in this case the trucks that would be hauling the logs from the forest to the mill.

The forest technologists are sometimes called forest officers. Maybe that's not the case anymore, as the hon. member has stated, but I'm led to believe that they're still called forest officers. There are many other things that these forest officers can do. They can manage forest-protection activities including fire control, fire crew training, and co-ordinating fire detection and public education programs. They can issue fire permits, timber permits, and other forest use licences. They can even supervise land use activities such as livestock grazing and recreational activities like snowmobiling to ensure compliance with regulations, supervise pipeline, seismic, and mining operations and/or oil and gas drilling sites in relation to forest disturbances. So there is a lot of work for those individuals to do. We must understand that some of the conditions under which these individuals will be working will not be, to say the least, the most luxurious.

4:40

Now, what are the educational requirements for these individuals? What can they exactly expect to make once they get their qualifications? Forestry technologists are graduates of a two-year or three-year forest technology program. It should be noted, Mr. Speaker, that forest technologists and forest technicians may be used somewhat differently by specific employers in postsecondary institutions. This is information that I have received from the occupational profile put out by Alberta Human Resources and Employment. It's quite interesting when we consider Bill 24, because the Northern Alberta Institute of Technology in Edmonton offers a two-year forest technology program. Now, there are many ways that one, as I understand it, can enter this occupation or profession. This can be used as a stepping-stone to get one's degree. This is one of the questions that was put to me: why should I take the time and expense to achieve university accreditation when there is supposedly going to be equal status given to a forester with a university degree and a technologist with two years at NAIT? There's a two-year difference here, and there's a lot of money involved.

The first year of training in this program would include going to the Kidney Lake field training camp in Swan Hills in the autumn. The second year of training is offered at the Environmental Training Centre in Hinton. The entrance requirement is a general high school diploma or equivalent with English 30 or 33, math 30 or 33, biology, and chemistry, with preference given to applicants who have a 30-level science course. Now, a CPR health-saver certificate and St. John's Ambulance courses are also required. An Alberta class 4 driver's licence is highly recommended. There's no mention in here, fortunately, of an Alberta ID. This is a quota program with competitive admission.

Now, what's the pay after one graduates? According to this document, the starting salary for a 1998 diploma program graduate is anywhere in the range from \$26,500 to \$31,000 a year. According to the 1999 Alberta wage and salary survey, most Albertans in the forestry technologist and technician occupational group earned – and

there's a wide range here, Mr. Speaker – from \$23,600 to \$54,000 per year. Unfortunately, at this time I don't know what one would get with a university degree. That's the problem with a lot of consultations that take place on bills in the mornings and then you find yourself debating them in the afternoon: you just don't have the time to get a lot of adequate or necessary research done. I would hate to see in all of this individuals with degrees and the information and the knowledge and the skill that they have acquired put aside. I've been assured that this is certainly not the case, but at the same time one has to recognize that there are market forces involved, as it was explained to me, and if an individual has the option or the choice perhaps of hiring an entry-level person with a technologist's certificate at, say, \$24,000 a year or someone with a university degree starting at \$35,000 a year – well, we cannot as a result of this allow our university system and the people that come out from that program to be shortchanged. I've been assured that this is not going to happen, but it's certainly one thing that I would like to bring to the attention of this Assembly.

We think to ourselves: well, there's a job for everyone in Alberta. Last week with great fanfare there was an announcement made about a program to allow guest workers, as they were described, into the province, but at the same time I read in the paper this morning – and I'm sure that the hon. Minister of Economic Development shares my concern with this – that there's a steel fabricator laying off individuals because there's no work. The steel fabricator said that this work is going offshore. So we have to be very careful about these things. We just can't replace one group of workers simply with another by de-skilling.

I certainly hope that the people that have contacted me, the Albertans who are involved in the forest industry who have contacted me on the RITE line regarding this issue can be assured by this legislation that there's going to be a place for every member of the professions in this province, that the industry is going to accommodate both groups. They're just not going to look at the bottom line; they're going to look at the skills that each group can provide so that the industry not only will benefit but will also grow and make for a better Alberta.

In conclusion, at this time, Mr. Speaker, at second reading I would cede the floor to any hon. member of this Assembly who has a view that they would like to express on Bill 24, the Regulated Forestry Profession Amendment Act, and I look forward to committee.

Thank you.

THE SPEAKER: The hon. Member for Edmonton-Centre.

MS BLAKEMAN: Thanks very much, Mr. Speaker. Just a few comments and questions that I had on this Bill 24, Regulated Forestry Profession Amendment Act, 2001. Now, I note that the sponsoring member did a very thorough job in walking us through, reading out from his script what the different sections of the bill meant. I'm sure that's helpful to people reading the *Hansard*.

A couple of things have occurred to me. One, right off the bat, I notice is that this is amending a statute from 1999, and in fact I think this Regulated Forestry Profession Act was never proclaimed. We've seen a couple of those bills here today, so I guess I'm wondering what is . . .

AN HON. MEMBER: Are we going too fast for you?

MS BLAKEMAN: No. I think it's more about a hitch in the government's process here, with all these committees that they pass these bills through.

MR. MacDONALD: We can't sit on them, and these mistakes pass.

MS BLAKEMAN: I think so. I think that because these are behind-closed-doors committees, there are obviously mistakes being made. The bills come forward to the Assembly, we ask questions about them, and the questions aren't usually answered before the vote is called. Here we have at least two acts back this afternoon from 1999. There might have even been three. They're back on the floor here in 2001. I notice that this one didn't even get proclaimed, so there's something going wrong here in this process.

4:50

What this is looking to do is to give consistency to the two different types of foresters that we have. The major difference seems to be that one is a two-year diploma from a technical institute and the other is a four-year degree from a university. There's an attempt by the two colleges or associations representing these people to bring together the registration, the professional conduct, and the governance for these two associations.

It's interesting how often the Health Professions Act is being referred to here, because I think that's another act that's also – it has; it was Bill 18 – been brought back here just recently to have things fixed in it. So while there's a great temptation for me to stand here today and go: "Yup. Fine. Look's great to me. Let's go" . . .

SOME HON. MEMBERS: Agreed.

MS BLAKEMAN: And I can see the eagerness of the government members to in fact do that. I think we need to be cautious in that we've already seen that mistakes were made before in moving it through too quickly and frankly I think from not paying attention to what's actually being proposed. So let's take a deep breath and make sure that we're doing this right this time so that we don't see this same act back here in front of us in another year and still not proclaimed, which isn't doing any favours to the two organizations that are trying to exist under this legislation. It's sloppy work, and it's not helping those organizations that are trying to get their registration and their requirements and professional conduct in place and to operate under that.

The other similarity that I keep hearing with the Health Professions Act is the desire of this government to delegate authority to associations over their respective professions. On the one hand, I can see why that makes perfect sense. These are professional organizations. They know better than others what kinds of requirements are going to keep them at the top of their profession. There's a certain amount of pride in doing very well and in keeping the bar high. On the other hand, the government in this case is operating in a consumer protection function. If this is the legislation that various professions have to adhere to, then once they've passed that bar that this legislation sets out, the government is in effect saying to consumers in Alberta: these people are the top in their profession, and they will do all the things they're supposed to do. So we have to make sure that when we set this legislation out, it is in fact setting the bar high, because the rest of the people in Alberta look to the government and go: "Okay. If the government has put its Good Housekeeping seal of approval on it, great; we'll believe them."

We've seen other examples of this government doing that. The one that comes to mind most quickly is the pine shakes scandal, where the government put its seal of approval on something and, in fact, it shouldn't have, and it cost a lot Albertans a lot of money. Albertans believed the government was performing a consumer protection function there. So I'm cautious about why there is such pressure to be following the same mold as the Health Professions Act and having everything delegated over to the professions.

The bill is not addressing labour issues such as wages, but the

regulations do have clarification for registration requirement, degree graduates, and diploma graduates. Right. That's the other thing that comes up with this, and I think we see this in a couple of other professional areas, but it's pretty evident in this one. Essentially, this legislation is now setting up both the forestry technicians and the foresters – that is, the ones with a certificate or a diploma from an institute of technology versus someone with a university degree – as equivalent in this act, and it does raise the question: if you can get the same things essentially, why, in fact, would anyone go and get a university degree in three or four years and rack up a debt of at least \$20,000 now when you could just do two years at an institute of technology or a college and reap the benefits of essentially the same thing, which is what the legislation is setting out? [interjections]

I see that I have managed to engage some members of the frat boys over here, and I know he'll be leaping to his feet to . . . [interjections] Yeah. I'm glad I could entertain them, but I'm looking forward to his contribution to the discussion, aside from playing with his fart pillow. That would be much more interesting. [interjections] Well, they're frat boys; they play little frat games.

I think that that is the question that hasn't been addressed clearly in the presentation that we heard from the sponsoring member, why this is being set up as an equivalency. In fact, they're quite different. What is the justification behind that, and what is being anticipated in the future from it if, in fact, we have people that are no longer interested in achieving a university degree? I suppose if I had to guess, part of the answer might be that the BA doesn't do you much good. You'd really want to go on and get a master's or a doctorate, and then you could be leading the research or the research team. I think that hasn't been addressed, and it does need to be clarified.

I did look through the information that was provided and the consultation sessions input summary that was done just recently actually, in late October, with the professional foresters and professional forest technologists. They seem fine with this and even seem eager to get onboard. I would like to just make sure that we're not rushing through something again and leaving another loophole

that will put us back here in another six months or a year trying to fix this yet again to make sure that we've done it right this time. So I'll be consulting with people that I know in the community to make sure that, in fact, it is reasonable.

In speaking in principle in second reading, I don't see a problem with the bill other than those problems that I've already outlined, so I'll be looking forward to addressing this in Committee of the Whole. I thank the Speaker for the opportunity to address it in second reading. Thank you.

THE SPEAKER: The hon. Member for West Yellowhead to close the debate.

MR. STRANG: Thank you very much, Mr. Speaker. First of all, I have to thank the Alberta Registered Professional Foresters Association and the Alberta Forest Technologists Association for their due diligence on this as well as Alberta Human Resources and Employment and Alberta Sustainable Resource Development. I think this is a good example of how different industry levels and professionals can work together in sectors to make our province accountable in these sectors.

At this time it gives me great pleasure to move second reading of Bill 24, the Regulated Forestry Profession Amendment Act, 2001.

[Motion carried; Bill 24 read a second time]

THE SPEAKER: The hon. Deputy Government House Leader.

MR. ZWOZDESKY: Thank you, Mr. Speaker. In view of the fact that such excellent and outstanding progress has been made in the House today with many good comments from several colleagues who have risen to their feet to do so, I would move that we call it 5:30 and reconvene tonight at 8 in Committee of the Whole.

[Motion carried; the Assembly adjourned at 5 p.m.]

