

Legislative Assembly of Alberta

Title: **Thursday, November 15, 2001**

1:30 p.m.

Date: 01/11/15

[The Speaker in the chair]

head: Prayers

THE SPEAKER: Good afternoon.

Let us pray. Our Father, keep us mindful of the special and unique opportunity we have to work for our constituents and our province and, in that work, give us strength and wisdom. Amen.

Please be seated.

head: Introduction of Visitors

THE SPEAKER: The hon. Minister of Municipal Affairs.

MR. BOUTILIER: Thank you, Mr. Speaker. Indeed, it's my pleasure today. As I mentioned in this Assembly yesterday, the Alberta Urban Municipalities Association is in fact hosting their 95th annual convention here in the city of Edmonton, and its president, Lorne Olsvik, is here today in the Speaker's gallery. Of course, he also is a member of the Federation of Canadian Municipalities as a director. Also here today we have the president of the Alberta Association of Municipal Districts and Counties, Jack Hayden. In fact, Jack's convention for the AAMDC is going to be hosted here in Edmonton next week. Now, they both represent over a million and a half Albertans. As we know, the Premier of Alberta represents over 3 million people in this province, so these gentlemen are representing over half.

We also have here today the newly elected mayor of the city of Calgary, His Worship Mayor Dave Bronconnier, and as we know, the city of Calgary represents over 1 million citizens. Finally, we have here today an alderman from the city of Calgary who is the first vice-president of the Federation of Canadian Municipalities and will soon lead the national assembly all across Canada, John Schmal.

I'd ask them all to rise and receive the warm welcome of this Assembly.

head: Introduction of Bills

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

Bill 23 Regulated Accounting Profession Amendment Act, 2001

MR. LORD: Thank you, Mr. Speaker. I'm very pleased today to request leave to introduce a bill being the Regulated Accounting Profession Amendment Act, 2001.

The Assembly will be pleased to know that the three bodies regulating the accounting profession in Alberta – the Institute of Chartered Accountants of Alberta, the society of Certified Management Accountants, and the Certified General Accountants' Association of Alberta – all support the proposed changes.

Thank you, Mr. Speaker.

[Motion carried; Bill 23 read a first time]

THE SPEAKER: The hon. Deputy Government House Leader.

MR. STEVENS: Thank you, Mr. Speaker. I move that Bill 23 be moved onto the Order Paper under Government Bills and Orders.

[Motion carried]

THE SPEAKER: The hon. Member for West Yellowhead.

Bill 24 Regulated Forestry Profession Amendment Act, 2001

MR. STRANG: Thank you very much, Mr. Speaker. I'm very pleased today to request leave to introduce Bill 24, being the Regulated Forestry Profession Amendment Act, 2001.

I'm also pleased to advise the House that the Alberta Registered Professional Foresters Association and the Alberta Forest Technologists Association support the proposed changes. I wish other companies would do the same.

Thank you.

[Motion carried; Bill 24 read a first time]

THE SPEAKER: The hon. Deputy Government House Leader.

MR. STEVENS: Thank you, Mr. Speaker. I move that Bill 24 be moved onto the Order Paper under Government Bills and Orders.

[Motion carried]

THE SPEAKER: The hon. Member for Calgary-North Hill.

Bill 29 Alberta Municipal Financing Corporation Amendment Act, 2001

MR. MAGNUS: Thank you, Mr. Speaker. It is a pleasure for me to rise today to introduce Bill 29, the Alberta Municipal Financing Corporation Amendment Act, 2001.

This bill would allow regional airport authorities to become shareholders in Alberta Municipal Financing Corporation, thereby giving them the ability to apply for financing at AMFC rates.

[Motion carried; Bill 29 read a first time]

THE SPEAKER: The hon. Deputy Government House Leader.

MR. STEVENS: Thank you, Mr. Speaker. I move that Bill 29 be moved onto the Order Paper under Government Bills and Orders.

[Motion carried]

head: Tabling Returns and Reports

MR. KLEIN: Mr. Speaker, with your approval I wish to file with the Legislative Assembly the appropriate number of copies of two documents. The first is a copy of a letter I sent earlier today to Lieutenant Colonel Stogran, who commands the 3rd Battalion, Princess Patricia's Canadian Light Infantry Battle Group. This group of men and women based right here in Edmonton are preparing to head to Afghanistan to perform humanitarian duties. They are expected to leave shortly. My letter extends the profound thanks of all Albertans to these brave Canadians for their willingness to serve the cause of freedom. It also expresses our hope for their safe and speedy return to their families and loved ones.

My second tabling, Mr. Speaker, is a copy of a letter I sent this morning to Prime Minister Jean Chretien. The letter outlines my concerns and the concerns of this government with the health dispute resolution mechanism proposed earlier this week by the federal Health minister. It also acknowledges Alberta's appreciation that

work to establish this mechanism has at least begun, hopefully in earnest.

Thank you.

THE SPEAKER: The hon. Minister of Energy.

MR. SMITH: Thank you, Mr. Speaker. Today I wish to table a news release outlining the Power Pool prices for today. The previous day average, from November 14, is 2.6 cents per kilowatt hour; the 30-day average, 4.4 cents per kilowatt hour. We think it's important to deliver a fair, transparent, accessible price for any commodity, particularly electricity, as the Power Pool has worked in effecting a market that works and reflects power prices in Alberta.

Thank you, Mr. Speaker.

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

DR. PANNU: Thank you, Mr. Speaker. I've got two tablings today. The first one is a news story in the *Calgary Sun* of last Sunday and the headline: Klein will contest health act.

The second one is a news story from the *Globe and Mail* from Monday last week: Klein considering user fees.

Thank you, Mr. Speaker.

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

MR. MASON: Thank you very much, Mr. Speaker. My first tabling is a memorandum of agreement between the government of Alberta, Alberta Infrastructure, and the city of Edmonton for the city transportation trust fund.

The second tabling is an Alberta government news release regarding the city of Calgary and the province signing a trust agreement for infrastructure funding based on 5 cents per litre of on-road fuel sold in that city.

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

1:40

MS BLAKEMAN: Thanks very much, Mr. Speaker. I have two tablings today. The first is a letter from Albert Opstad, a senior from Edmonton who is very concerned over maintaining Alberta's first-class health care system, and he has a suggestion on how to pay for it.

The second tabling that I have is a report that I requested from Darrell Pidner with the International Alliance of Theatrical Stage Employees, and it's pointing out the work of their 250 members and the local benefit derived from their \$3 million payroll.

Thank you.

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

DR. MASSEY: Thank you, Mr. Speaker. With permission I'd table five copies of a speech by Edmonton philanthropist Robert Stollery entitled: In Alberta, It's Time to Reassess Our Priorities.

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

DR. TAFT: Thank you, Mr. Speaker. With your approval I'd like to table the appropriate number of copies of two documents: a report from the TD Economics group of October 12, 2001, indicating that their prediction for health spending in Alberta in 2006 is that it will be no more than 35 percent of our budget, and a document based on an analysis of Canadian Institute for Health Information figures

showing that Alberta's percentage of health care spending has been stable as a portion of GDP for the last 15 years.

Thank you.

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

MS CARLSON: Thank you, Mr. Speaker. With your permission today I have the appropriate number of copies of three tablings. They are handwritten letters from teachers in my constituency who very eloquently outline their concerns about the lack of funding in education. They are from Raymond Rouleau, Lynn Koss, and Sheila Pierson.

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

MR. MacDONALD: Thank you very much, Mr. Speaker. I have two tablings today. The first is a letter dated November 2 from my office to the hon. Minister of Human Resources and Employment requesting the overdue WCB Appeals Commission annual report.

The second document is a handwritten letter from Mr. Jim Munsey, a constituent of Edmonton-Gold Bar, to the Premier and CCed to the hon. Minister of Learning, and this letter states Mr. Munsey's loss to understand why there is obvious animosity towards the teaching profession in Alberta from the government.

Thank you.

head: Introduction of Guests

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

MS KRYCZKA: Thank you, Mr. Speaker. It is indeed my pleasure today to introduce to you and through you the wife of one of our most committed members in our government caucus. She's in the Speaker's gallery today: Pat Klapstein, wife of our hon. Member for Leduc. Would Pat rise and please receive the traditional warm welcome of our Assembly.

THE SPEAKER: The hon. Member for Olds-Didsbury-Three Hills.

MR. MARZ: Thank you, Mr. Speaker. It seems the AUMA convention brought a few more members than the previously introduced distinguished guests. I have some very distinguished guests from the town of Olds that I would like to introduce to this Assembly through you. Mayor Norma Duncan and her husband, Kyle, are seated in the members' gallery just above me; Councillor Terry Peterman and his wife, Sandy; Councillor Harvey Walsh and Councillor Warren Smith, who were newly elected on October 15, as was Councillor Scott Dundas, and he's accompanied by his lovely wife, Lori, and re-elected Councillor Kris Bojda and newly elected Councillor Ben Coates. We'd like to welcome you here and would ask you to stand and receive the warm welcome of the Assembly.

THE SPEAKER: The hon. Member for Innisfail-Sylvan Lake.

MR. OUELLETTE: Thank you, Mr. Speaker. I'd like to introduce to you and through you to all members of the Assembly a wonderful group of kids from a beautiful part of my constituency from the Fox Run school in Sylvan Lake, also their teachers John Fielder, Donald Teplyske, Michelle Doz, Karen Adair, and Robin Irvine, also parents and helpers Mrs. Girard, Mrs. Garson, Mr. Garson, Mrs. Magas, Miss Cunningham, Mrs. Badley, Mr. and Mrs. Machulski, Mrs. Gunnlaugson, Mrs. Knights, Mrs. Herder, Mrs. Weibe, Ms Becker, Mrs. Fitzgerald, Mrs. Meloche, Mr. Leshchysyn, and Ms Handley.

There are 155 in total in this group, and they're spread out in both galleries. I'd like them to stand and get the warm welcome of the House.

THE SPEAKER: The hon. Member for Grande Prairie-Smoky.

MR. KNIGHT: Thank you, Mr. Speaker. I can't beat that. It's my distinct pleasure to rise in the Assembly today to introduce to you and to all members of the Assembly a dedicated and long-serving member of the Grande Prairie and district Catholic school board. I would ask Mrs. Morag Mochan, seated behind me in the members' gallery, to rise and receive the traditional warm welcome of this Assembly.

THE SPEAKER: The hon. Member for West Yellowhead.

MR. STRANG: Thank you very much, Mr. Speaker. It's with great pleasure today that I introduce these people that worked so diligently on the Regulated Forestry Profession Amendment Act, 2001. The first group I'd like to introduce – and I'd like them to stand after I introduce them all – is from the Alberta Registered Professional Foresters Association, Dieter Kuhnke, Robert Stokes, and Douglas Krystofiak; from the Alberta Forest Technologists Association, Don Podlubny and Frankie Kerr; and then from Alberta Human Resources and Employment, Brenda Johnson and Adrian Pritchard. Please would they stand and receive the warm welcome of the House.

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

MR. LORD: Thank you, Mr. Speaker. It's my pleasure to rise again today in order to introduce to you and through you to all the members of this Assembly a very special guest who is here today to see the first reading of the amendments being proposed for the accounting profession. He's really a fellow you can count on, and I would ask that he rise and receive the warm traditional welcome of this Assembly, Mr. Drew Thomson from the society of Certified Management Accountants of Alberta.

head: Oral Question Period

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

Health Care System

DR. NICOL: Thank you, Mr. Speaker. There have been many specific hints given about the direction of coming changes in our health care system. Albertans are rightly concerned that all this musing may result in a shifting of responsibility from the government to a three-tiered health care system with more and more services being paid for through the private insurance industry or through Albertans' wallets. My questions are to the Premier. Can you explain to Albertans the difference between delisting and your term: changing comprehensiveness of the health care system?

MR. KLEIN: Mr. Speaker, what I will explain to the hon. leader of the Liberal opposition is that we want to achieve sustainability and affordability in the publicly funded health care system so it is there for his children and his grandchildren and my children and my grandchildren and their children for years and years to come. That's what it's all about and making sure that we have the ability to treat the sick and injured in society.

DR. NICOL: Mr. Speaker, will the Premier explain to Albertans, then, how delisting or changing comprehensiveness, whatever term he wants to use, will actually lower total health care costs for all Albertans?

MR. KLEIN: Mr. Speaker, I refuse to become embroiled in a debate that is solely and absolutely based on nitpicking, assumptions, speculation. I have explained in this Legislative Assembly that Mr. Mazankowski, who heads the Premier's Advisory Council on Health, will be discussing his report with me on November 16. Shortly thereafter he will table his report, which I assume will have a number of major recommendations, certainly recommendations that have been alluded to in his preliminary report. At that time, the report will go to the agenda and priorities committee of this government, then it will be sent to the standing policy committee of this government, then it will be sent to the cabinet of this government, and we will then have a decision on the course of action that this government wants to take relative to bringing about meaningful and necessary reform to the health care system.

1:50

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. Can the Premier explain to all Albertans how changing comprehensiveness will improve their overall health care system and their access?

MR. KLEIN: Mr. Speaker, if the hon. leader of the Liberal Party would read the letter that I tabled in the Legislature a few moments ago, addressed to the Prime Minister, it clearly called for a dispute resolution mechanism in accordance with the social union framework agreement, which says that such a mechanism should be set up to resolve issues relevant to the interpretation of the Canada Health Act. It could be and likely will be that the issue of comprehensiveness will be one of those issues that will be challenged relative to the interpretation of the term comprehensive.

THE SPEAKER: Back to the Official Opposition main question, the hon. Leader of the Official Opposition.

DR. NICOL: Thank you, Mr. Speaker. Can the Premier provide any evidence at all that medical savings accounts will improve services or health care access for Albertans?

MR. KLEIN: Mr. Speaker, again, I am not going to become involved in hypothetical situations, speculation. Again, I urge the hon. leader of the Liberal Party to wait for the Mazankowski report and to be helpful and provide this government with constructive ideas and constructive criticism, because I'm sure that, as all Albertans want to achieve, he also wants to achieve sustainability in the health care system, that he wants to bring about meaningful reforms that are not going to dismantle the health care system as we know it today but make it better, and to ensure that it's going to be there for decades and decades to come. That's what we want to do, and I would hope that he would want to do the same thing.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. Again to the Premier: can the Premier provide any evidence that a new tax such as user fees will improve services for Albertans and reduce the cost?

MR. KLEIN: You know, I find it interesting, Mr. Speaker, that the only mention of user fees other than a headline that I didn't write – and I can assure you of that, because I'm not in the newspaper business. The only people who are alluding to user fees are the Liberal opposition and the ND opposition.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. To the Premier: what is the government's priority? Appearing to change the revenue sources for providing health care or providing the best possible health care services to Albertans at the lowest possible cost?

MR. KLEIN: Absolutely. Now, finally, Mr. Speaker, we get an intelligent question, to which I can provide an intelligent answer. It was an intelligent question, and the answer is that that is precisely what we're trying to do. We are trying to provide the best possible service at the least cost and at the same time make sure that it's there for future generations of people of this province and indeed this country.

THE SPEAKER: The third Official Opposition main question. The hon. Member for Edmonton-Riverview.

Health Care Spending

DR. TAFT: Thank you, Mr. Speaker. My questions are to the Premier. Since this Legislature approved the health budget a mere five and a half months ago, health spending has been increased, then RHA deficits were announced, and then spending was cut. How can the Premier make any credible predictions about future health care spending when his own government can't figure out what it's spending today?

MR. KLEIN: Mr. Speaker, I don't know if the hon. member is so consumed by reading his own press releases and his own musings and his own writings that he doesn't read the newspapers. I would ask him to read the newspaper today and check the price of oil. It's below \$20. The revenue situation today, as opposed to what is was even six months ago, is vastly different, and we have to make the appropriate adjustments.

THE SPEAKER: The hon. member.

DR. TAFT: Thank you, Mr. Speaker. Given that the TD Bank recently predicted that Alberta will be spending no more than 35 percent of its total budget on health in the next five years, can the Premier back up his claim that it will soon consume 50 percent of the total budget?

MR. KLEIN: Mr. Speaker, I think that if you do the math and you see the way that health care costs have gone up over the past five years, one could logically come to the conclusion that indeed it will consume up to 50 percent of the budget if we don't get things under control. I would remind the hon. member that in some provinces it is edging close to the 50 percent mark already.

THE SPEAKER: The hon. member.

DR. TAFT: Thank you, Mr. Speaker. Will the Premier agree that Alberta's percentage of GDP going to health care is at about the same level today as it has been for the past 15 years?

MR. KLEIN: Mr. Speaker, I will give the same answer that I gave yesterday or the day before: it's entirely irrelevant. The fact is that even the amount of the GDP that we're paying for health care is steadily increasing. The simple fact is that over the past five years health care costs have doubled – doubled – from a little over \$3 billion, albeit Canadian, as I say, but significant nonetheless, to over \$6 billion a year. You don't have to be an academic to understand this. The simple fact is that health care costs have doubled, the population over that same period of time has not doubled, has nowhere near doubled, and the number of sick and injured people in this province certainly hasn't doubled. So we have to find solutions and find ways of making health care sustainable.

THE SPEAKER: The leader of the third party.

Health Care System

(continued)

DR. PANNU: Thank you, Mr. Speaker. The Premier's flip-flopping on health care in the last two days pales in comparison to his flip-flopping before and after the election. Just yesterday he said right here in this House: "I have not been talking about delisting [services]." Today I'm happy to correct the Premier and set the record straight. My first question to the Premier: how can the Premier say he is not talking about delisting services when he openly admitted to the media on November 10 that medicare coverage for abortions will be revisited?

MR. KLEIN: Mr. Speaker, I'm alluding again to a statement that was contained in the preliminary report of Mr. Mazankowski, and that statement alludes to the fact: are there expectations – or there is an expectation; I think it was more definitive – that health care is there for all people, for all causes, at all times, and for all things, something to that effect. I might be paraphrasing it. That speaks to the whole issue of comprehensiveness and the interpretation of comprehensiveness. How we deal with that particular issue, that will be through the process that I outlined a few moments ago. That is the process of taking it to agenda and priorities, through to the standing policy committee, through to cabinet, through to caucus, and deciding as a government what we do to bring about reform based on Mr. Mazankowski's recommendations.

THE SPEAKER: The hon. leader.

DR. PANNU: Thank you, Mr. Speaker. My second question to the Premier: how can the Premier say he is not considering user fees when the headline in the *Globe and Mail* of November 12 says quite clearly, "Klein considering user fees"?

MR. KLEIN: Mr. Speaker, I will allude to remarks that are often given to me by reporters. When I complain to them about a headline, they say: don't blame me; I don't write the headline. Well, I don't write the headlines. I can tell you that for sure. I'm even many, many, many steps removed from the headline writer.

THE SPEAKER: Hon. member, I would draw your attention and all hon. members' attention to *Beauchesne* 428(e). A question must not "inquire whether statements made in a newspaper are true."

The hon. member.

DR. PANNU: Thank you, Mr. Speaker. If the Premier won't call an election to seek a new, honest mandate, will he at least say "I'm sorry" to this House for his misrepresenting government intentions?

MR. KLEIN: Now, Mr. Speaker, there is a headline for you. Six months following the last election here's the headline: NDs call for provincial election. Now, there's a headline for you.

THE SPEAKER: The hon. Member for West Yellowhead, followed by the hon. Member for Edmonton-Glengarry.

2:00

Forest Industry

MR. STRANG: Thank you very much, Mr. Speaker. Yesterday I had the pleasure of talking with many members of the province's forest industry after the forest industry conference in Edmonton. This is a sector that is key to the economy in my constituency and many others throughout the province. In fact, forestry is the third largest industry in the province. Considering this, there was a fair bit of discussion yesterday around the need for better promotion of this sector. My questions are to the Minister of Sustainable Resource Development. What is the province doing to raise the profile of this important sector in Alberta?

MR. CARDINAL: To start off, Mr. Speaker, that's a very good question. Forestry is very healthy in Alberta. Today we just completed a publication, actually jointly with the Alberta Forest Products Association and my department, which shows a very, very good story and a healthy industry in Alberta. In fact, it's an over \$8 billion industry. Over 54,000 people are employed in that industry, and close to 50 communities across Alberta depend on that particular area as their primary industry and income source.

Mr. Speaker, we have some of the best mills in the country, the best pulp mills and the best sawmills, and the most efficient and productive. So the forest industry is very healthy and continues to play an important part in our overall economic diversification plan in Alberta, which includes the oil and gas industry, agriculture, forestry, tourism, and science and technology. In fact, we are now moving to the next step, and that's the value adding in all those areas.

THE SPEAKER: The hon. member.

MR. STRANG: Thank you, Mr. Speaker. My first supplemental question is to the same minister. Can you tell the Assembly what other items were discussed that were important at this convention?

MR. CARDINAL: Thank you very much, Mr. Speaker. First of all, that convention is very important to our whole forest industry and to all Albertans, and I'd like to commend the organizers and the conference participants: the industry, the major players, and also some various department staff who attended. It was a very, very productive conference. It's an opportunity to share ideas and to dialogue not only with industries in Alberta but also industries from outside of Alberta, including B.C. and Saskatchewan.

What we heard was that there are new technologies being applied in that industry – again, the sawmills are more efficient – and concerns they may have, including tenure in some cases, in that particular area, Mr. Speaker.

The other one that was very important was the aboriginal participation. As we move forward in harvesting our resources, especially in the north half of the province, there are a lot of aboriginal communities impacted. The industries are working very closely, in fact, with the Hon. Pearl Calahasen, minister of aboriginal affairs, who did a presentation yesterday, a very good presentation, very well received by the industry, and no doubt will go a long way in involving some of our northern neighbours in this most important area.

The industry does face some challenges, Mr. Speaker. That's the low commodity prices right now, the softwood lumber agreement, and the general slowdown in the economy south of us that impacts lumber prices.

THE SPEAKER: The hon. member.

MR. STRANG: Thank you, Mr. Speaker. My second supplemental question is to the same minister. With the softwood lumber discussion taking place in Washington this week, there were also industry concerns regarding the level of the Alberta delegation. Can the minister tell us why Alberta isn't sending a more senior level delegation to these important talks?

THE SPEAKER: The hon. minister.

MR. CARDINAL: Mr. Speaker, thank you. That's a very good question. That did come up yesterday in our conference. We are working, of course, very closely with the Hon. Halvar Jonson, who is responsible for trade negotiations, as a lead minister on all issues. Of course, we will continue vigorously defending Halvar's stand in relation to the practices we have in Alberta in relation to forestry. We are of course participating in discussions on a potential long-term solution for that industry, because I believe that is what our industry wants. It has a major impact to some sectors of the industry. Probably, you know, 70 percent of the wood that's sold across the border from Canada comes from Alberta, and it's equivalent to about 1.1 billion board feet, or a \$500 million to \$600 million project. As we move forward, as the discussions get more serious and get more specific, we will of course be increasing our delegation and calibre of delegation in that particular process to make sure that the issues are addressed. One of the things we support is what industry wants, and that's free trade. It's very simple. The industry wants free trade, and we support that fully in Alberta.

THE SPEAKER: Hon. members, yesterday in the House an hon. member of Executive Council mentioned by name another member of the House, and today this has happened again. That's inappropriate, so I'll ask the government whip to take the appropriate steps.

The hon. Member for Edmonton-Glengarry, followed by the hon. Member for Calgary-Bow.

Municipal Funding

MR. BONNER: Thank you, Mr. Speaker. I was pleased to hear that the Minister of Municipal Affairs has listened to local governments and the Official Opposition and realized that it is time for a new provincial/municipal partnership. However, before getting excited about the future, we need some answers about recent cutbacks. What services does the minister suggest that the residents of Edmonton cut back on to make up for the almost \$10 million that was pulled from municipal coffers with the recent cuts to the fuel tax grant?

THE SPEAKER: The hon. minister.

MR. BOUTILIER: Thank you, Mr. Speaker. The hon. member raises a good question, but let me frame that, first and foremost, in this way. In light of the events that have taken place since September 11, there is no question, as the hon. Minister of Energy mentioned earlier today, that the price of oil today is at \$17. What is very important, though, is this. I am quite certain that the citizens of Edmonton and its mayor do not want to run a deficit, no different

than what the taxpayers of Alberta are telling their provincial government. I'm sure the hon. member will agree with that.

But what we are doing – in fact, this afternoon the Minister of Transportation and myself are meeting with the mayors of Edmonton and Calgary, talking about where the provincial government is at and how we work together, because at the end of the day, Mr. Speaker, we are all in this together as Albertans.

THE SPEAKER: The hon. member.

MR. BONNER: Thank you, Mr. Speaker. To the same minister. Calgary is already struggling to keep up with demands on its roads. How do you suggest they deal with the almost \$13 million that was taken away from their municipal budget?

THE SPEAKER: The hon. minister.

2:10

MR. BOUTILIER: Thank you, Mr. Speaker. I think we need to add some clarity to this issue, and we're going to be discussing this again with the mayors. What has not been reported, pertaining to the 5 cents per litre that the cities of Edmonton and Calgary do get, is that it's important to note that this program is the only one of its kind in Canada in terms of how a province treats an urban city like Calgary or Edmonton. What's more important is that over \$255 million has been advanced to the city of Calgary relative to this 5 cents per litre, and many people are not aware of that fact. So that money is in the bank in the city of Calgary as we speak.

What's important, though, to the hon. member's good question, is that it is my hope that the economy will improve and the reconciliation relative to the consumption of the 5 cents per litre tax versus what could go to the city of Calgary. Fortunately, to the year 2004, \$255 million is in the city of Calgary's coffers. I'm very pleased to say that we've advanced them that portion of the money.

THE SPEAKER: The hon. member.

MR. BONNER: Thank you, Mr. Speaker. To the same minister: why is the government undermining municipalities' long-term plans by introducing programs that cannot be sustained?

MR. BOUTILIER: I think that if I were to interpret the question by an analogy, it would be this way: it appears that everything is broken, and everything isn't broken. In fact, let me give you an example. Even when a clock is broken, it gets it right twice a day. With that, I can say that we are not broken. We're working very closely in partnership, as to the question that the hon. member has raised.

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

Tourism Marketing

MS DeLONG: Thank you, Mr. Speaker. Since September 11 the tourism industry has been significantly impacted. Shortly after the acts of terrorism there were reports of major resorts with greatly reduced occupancy rates. My question is to the Minister of Economic Development. What is being done to address the situation?

THE SPEAKER: The hon. minister.

MR. NORRIS: Thank you very much, Mr. Speaker. I want to thank

the hon. member for the question. Obviously, our hearts go out to our American cousins after September 11. That was indeed a terrible situation, and unfortunately our tourism industry in Alberta was dramatically affected. We estimate that they may lose up to \$100 million because of that event.

So in answer to the hon. member's question, what I did was traveled around Alberta and talked to industry stakeholders, saw the evidence of what was happening, Mr. Speaker, and advised my department to reallocate money within our existing budgets to have a made-in-Alberta campaign extolling the virtues and values of what's available in Alberta to Albertans and that rather than travel outside of the country to stay inside Alberta this winter and see all the beauty and value we have to offer.

MS DeLONG: Where is the campaign being run, what is its focus, and what do you see as the government's long-term role in this industry?

MR. NORRIS: Well, three questions would be more than two ND members. Anyways, Mr. Speaker, the focus of this campaign quite simply is to talk about value, talk about the kind of beautiful nature and environment we have in Alberta, and to get people interested in coming back to Alberta to look at it. Where we are focusing in Canada is the rubber tire traffic, as it's called in the industry: Saskatchewan, Manitoba, and Ontario. Our long-term vision for this is that once people come back to Alberta, they will see exactly what kinds of values there are, how beautiful the facilities are, and they will not leave and will continue to spend their money in Alberta, where it should be spent in the first place.

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

Children's Services

DR. MASSEY: Thank you very much, Mr. Speaker. Yesterday the Minister of Children's Services told the House that "we are not directly taking away from those services that interface directly with the child." My questions are to the Minister of Children's Services. How does cutting the hot lunch program for children in the elementary school in Cold Lake not directly affect children?

MS EVANS: Mr. Speaker, many of the programs that are being provided at the local level are a result of partnerships formed by the authority, the child and family service authority. In this case, that particular authority is working with partners in the community. Those authorities throughout Alberta have the opportunity to designate priorities as they see fit. Many times they tell us that the priorities of some of the programs could be altered so that they put the emphasis where it's more readily needed.

I have not been personally advised of any cut to that particular program, but it is within the purview of those local appointed officials with their CEO to define programs that most clearly affect the child in need. In this case, if there is a program that's cut that relates to a hot lunch program, then it has been because that board has determined that that isn't the number one priority. Those programs are, again, as a result of their articulation with other providers in the community.

DR. MASSEY: The second question to the same minister: how does cutting seven outreach workers in Cold Lake schools not directly affect children?

MS EVANS: Well, Mr. Speaker, the hon. member has, obviously, information which I have not been given. Cutting seven outreach workers is not something that has reached my desk, so I compliment him on his reconnaissance. But if I may again point out, if that is correct, those are choices that have been made in that community in consultation with the school community, no doubt with the parents in that community, and because that's what was determined as the most important thing.

Let's be clear. Children's Services is about child protection. I think it's regrettable in this province that we have more children in child protection than ever before. Why is that? It is because, no doubt, there are struggles in families that have nothing to do with programs that the hon. member is referencing. It has to do with the kinds of conflicts where more children today witness family violence and violence in the home than they do sexual abuse, all things that we struggle with in a society that is trying to make corrections. So if I have choices about where we place the funds, it will be for child protection for those children that are hurting the most, and where we have alternatives to provide other programs in schools and in community facilities, let that community help us pay for them.

DR. MASSEY: Mr. Speaker, the minister is absolutely right, so how does cutting West Yellowhead's caseworkers' travel budget so they can no longer drive family members to the food bank or to counseling sessions not affect children?

MS EVANS: Mr. Speaker, there are challenges, no doubt, in every community, but let me remind the hon. member that this is one of the few budgets in government that has accelerated over \$186 million in the last two years to improve services for children. There may be service adjustments and priorities that those local decision-makers will re-evaluate and reconfigure in some way, but in fact I will ask for a detailed explanation.

In this instance, I again advise that local officials are determining where the greatest priorities are. I will not subtract from those priorities where the child is most in need of protection, and perhaps – and I say “perhaps” understanding that this is at this point to me unsubstantiated evidence – there are other ways to get those children or those families in need to those services that they need.

Thank you.

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

Supports for Independence

MRS. ADY: Thank you, Mr. Speaker. The rules for how cash benefits are calculated in the SFI program, supports for independence, were adjusted yesterday, starting in the month of December. My question is for the Minister of Human Resources and Employment. I understand that these changes will allow families to earn more money before their maximum calculated SFI benefits are reduced. Why is the minister giving more earning exemption capacity to families on welfare?

THE SPEAKER: The hon. minister.

2:20

MR. DUNFORD: Thank you, Mr. Speaker. This government firmly believes that it's better to be at work than on assistance, and we try to translate this philosophical view that we hold into some practical ways in which we can resolve, then, the situations that happen in many families. So what we're announcing is the fact that from now

on if we have a family that is low income and is receiving some supports for independence assistance in terms of income from us, we'll allow them to go out and earn more income before we start to reduce our SFI payments. We believe this is a way, then, that will allow them, once they've entered the workforce, to be able to stay in the workforce, and we believe that this is the best alternative they have.

THE SPEAKER: The hon. member.

MRS. ADY: Thank you, Mr. Speaker. Again to the Minister of Human Resources and Employment: where does the funding for these changes come from?

MR. DUNFORD: Mr. Speaker, with the federal government national child benefit program we have an excellent example, in my view, of flexible federalism. What we have is the federal government providing income to families, and this allows, then, a provincial government to take a look at the income levels, to look at some of the other needs that are required around a family, and then of course move money into those particular areas. So in this particular case we have a situation where some \$6 million was freed up because of the federal government involvement in income support. We are using \$4 million of it to fund the aforementioned program, but we're also going to contribute to a person's employment needs that they might have. If they find a job, they might need work boots or a bus pass, something like that.

We're also, which I think is a very credible approach – at one time we included earnings from the children of a family in terms of the total family income and then started to reduce our SFI income support. Well, what we're announcing today is the fact that we will exempt 100 percent now of all children's earnings as long as that child is in school. We're not wanting to encourage any children over the age of 15 to leave school in order to participate in this program, but we feel that if the person has a paper route, gets a job at a local retail store, those kinds of earnings should benefit the family as a whole, so that's a part of the contribution again.

We'll be using \$4 million directly to support these programs. Two million dollars has been moved to Children's Services so that they in their way can support day care for, again, these same families.

MRS. ADY: Finally, to the same minister: how do these changes relate to the low-income program review that the MLA committee conducted this summer?

MR. DUNFORD: Early on we had some indications of where the low-income review would be going as far as recommendations, so we actually looked at how we were going to reinvest the money, and we started to listen, then, to some of the signals that we were getting from Albertans through the low-income review committee as to the primary concerns that people would have. So it was because of that influence that we then directed our \$4 million in this particular case to those exact programs that I tried to outline earlier.

I might add now for all members' benefit that I have in fact received the report of the low-income review committee. I want to congratulate all of them for the fine work that they've done, but, Mr. Speaker, they've given me a very, very complete and, might I say, comprehensive report. It's going to take a while for us to get through that very fine report and then come back to this room with some of the recommendations.

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

Forest Stewardship Council Certification

MS CARLSON: Thank you, Mr. Speaker. The world market for forest products is changing rapidly as major purchasers and consumers indicate their preference for wood products that can be independently certified as coming from well-managed forests. Forest Stewardship Council certification is currently the only demonstrably independent system that has broad international support from indigenous people and other forest users, industry retailers, and conservation groups. Seven percent of the world's industrial wood consumption is now FSC certified. My questions are to the Minister of Sustainable Resource Development. Why has the minister's department not removed the legislative impediments that make it impossible for Alberta forest companies to participate in this new global market?

MR. CARDINAL: Mr. Speaker, that's a very good question and a very timely question. I said earlier that forestry is a very important industry to a lot of Albertans, and one thing I want to clarify is that the certification is not part of the quality of the lumber that we produce in Alberta. That is a different process that is still in place and works very well. This certification ties in with the forest management and the environmental management that the forestry operations do as they harvest our resources.

The regional standards in Alberta have not been developed yet, and once they are, we will of course move forward to look at how we can make changes that are necessary to be able to accommodate the private industries getting proper certification. I don't believe there is a problem with a major industry getting certification now. The problem will be the small operators. There are a lot out there. Like I said earlier, close to 50 communities depend on sawmill operations and other wood-related operations. The smaller operators may have difficulty in affording the certification process. It's a very sensitive area. We have to keep a good balance to ensure that all industries, it doesn't matter at what level, can be certified in Alberta so they can market their products.

MS CARLSON: Mr. Speaker, why has the minister not supported a scientifically defensible protected area network in Alberta that would help companies get this certification? In fact, it's one of the major requirements for this certification.

MR. CARDINAL: Mr. Speaker, this certification process is something that commenced not too long ago. Alberta has been part of the process, and when the time is right, as we move forward and once the regional standards are in place, of course we will make the necessary adjustments that would accommodate the process for private industry to become certified. But it's not as simple as that. Again I say that the larger companies will not have a problem getting certification, because we have one of the best managed forest industries in North America. So that's not a problem at all. The area where we will have some difficulty is the small operators, and there are a lot of them throughout Alberta that may be impacted in a negative way unless Alberta can come to some aid to assist them to get certified.

MS CARLSON: Mr. Speaker, is the minister then saying that he is willing to meet the second major criterion for getting this certification, which would be his department supporting reforming oil and gas tenure and planning regulations to ensure that the petroleum and forest industries can collaborate to achieve long-term forest planning and sustainability, not possible right now under current standards?

MR. CARDINAL: Mr. Speaker, that is not truly correct. There are a lot of industries already into joint planning with forest companies. One example is in my constituency. In fact, the Alberta Pacific project in the Fort McMurray area worked jointly with the heavy oil sands developer and actually reduced the impact as far as disturbance to the area by 50 percent. So already the companies are working, and of course as we move forward, we will ensure that part of the process will be to do joint planning in the future. It only makes sense.

THE SPEAKER: The hon. Member for Edmonton-Highlands, followed by the hon. Member for Red Deer-North.

Municipal Funding

(continued)

MR. MASON: Thank you very much, Mr. Speaker. Before the last election the Conservative government signed three-year legal agreements with the cities of Edmonton and Calgary to provide those cities with transportation infrastructure funding based on a portion of the fuel tax. Three years of funding was provided in advance to those cities in order to allow orderly transportation planning in Edmonton and Calgary. Last month the government announced its intention to tear up these agreements and asked for 15 percent of its money back, \$20 million in the case of the city of Edmonton alone. To the Premier: how can the government tear up a legal agreement with Alberta's two largest cities and demand its money back?

MR. KLEIN: Mr. Speaker, we have asked them to share in the restraint program, and certainly if things turn around, that 15 percent, the difference between 5 cents and 4 and one-quarter, will be restored.

Right now the city has the money, is earning the interest. I think the cities have the money. I don't know about Edmonton, but I know that Calgary has the money. I would have to check for sure.

We're asking municipalities, as we are regional health authorities, as we are school boards, as we are all departments of government, to work with us and help us through these somewhat difficult times, times that have become dramatically worse since the horrific events of September 11.

2:30

MR. MASON: Mr. Speaker, to the Premier: how can the government expect Alberta municipalities to accept the government's offer of partnership if it can tear up legal agreements after only one year?

MR. KLEIN: Mr. Speaker, as the hon. Minister of Municipal Affairs pointed out, we want to work with municipalities on a collaborative and a co-operative basis. I'm sure that municipal leaders, like all of us, read the newspapers to see that the price of oil is not only below \$20 a barrel today but indeed at noon was at about \$17.45 a barrel and going down. We have to deal with these situations, and we seek the co-operation of all Albertans.

MR. MASON: Mr. Speaker, how can the Premier justify what is simply another example of saying one thing before an election and doing another afterwards?

MR. KLEIN: Mr. Speaker, I would remind the hon. member that the program even at 4.25 cents is far more generous than the per capita grant program that was in place before the fuel tax program was introduced. I would remind the hon. member that it was brought about through a collaborative effort involving various departments

of government, representatives of the Alberta Urban Municipalities Association, representatives of the Alberta Association of Municipal Districts and Counties, and the mayors of the two major cities. It was always understood that as the result of that process, the result of bringing that committee together, we would continue to work in the spirit of co-operation and collaboration on these particular matters.

Mr. Speaker, we saw representatives of those organizations in your gallery this afternoon. They know full well what is happening. They know the tremendous pressures that are facing the province of Alberta, and they know that we're dealing with these problems as responsibly and as effectively as we possibly can under the circumstances.

THE SPEAKER: The hon. Member for Red Deer-North, followed by the hon. Member for Edmonton-Gold Bar.

Smallpox Vaccine

MRS. JABLONSKI: Thank you, Mr. Speaker. My first question is to the Minister of Health and Wellness. It's obvious to all Albertans that the horrific destruction of September 11 has deeply affected us in many ways. Many concerns that would never have entered our minds prior to that day now disturb our daily thoughts. There now exists the possibility that terrorists could obtain and use smallpox as a biological weapon. Can the minister say what the Alberta government has done to protect Albertans from the threat of smallpox from terrorist action?

THE SPEAKER: The hon. Minister of Health and Wellness.

MR. MAR: Thank you very much, Mr. Speaker. At the outset I'd like to point out that the risk of contracting smallpox from any source, including bioterrorism, is a very remote possibility in the province of Alberta. That's not to say that we shouldn't take precautions, and we have. Notably we have worked with our regional health authorities to advise physicians who work in our emergency rooms in hospitals throughout the province to report immediately any changes in numbers or symptoms so that we can identify patterns as quickly as possible and help us to take quick action.

The department has also been in contact with its counterparts and I have been in contact with my counterpart federally, Mr. Speaker, to ensure that we can deal effectively with any outbreak. That includes discussions on the availability of smallpox vaccine. I'd just reiterate that the risk of contracting smallpox in Alberta is considered to be low. The last reported case of smallpox in Alberta was in 1947.

MRS. JABLONSKI: Mr. Speaker, also to the Minister of Health and Wellness: what has the minister done to ensure Alberta has enough vaccine to prevent any problem with terrorists using smallpox?

MR. MAR: Mr. Speaker, as it relates to the obtaining of smallpox vaccine in response to a bioterrorism attack, that is a responsibility that falls within the purview of the federal government. It is the federal government that is responsible for obtaining, stockpiling, and distributing vaccines for diseases that could be used for bioterrorism. I've been in contact with my federal counterpart, and our department officials have been in contact with their counterparts in Ottawa. They have assured us that Alberta would receive the vaccine that the federal government has obtained if it was needed.

I should say, Mr. Speaker, that if there is an occurrence of smallpox in the province, the vaccine does work after the person has

contracted it, so it need not be used prior to contracting the disease. It can in fact be used after it's been identified.

MRS. JABLONSKI: Mr. Speaker, my final question is also to the Minister of Health and Wellness. Can the minister reassure Albertans that they will be vaccinated to prevent any risk of infection only if terrorists use smallpox in our province?

MR. MAR: Well, Mr. Speaker, the federal government, as I said, is responsible for obtaining and distributing vaccines for diseases such as smallpox, and they have assured us that we will have such vaccines if there is an outbreak.

It is notable that the World Health Organization has recommended against mass vaccinations for smallpox if there's no real risk of exposure. The reason for that is that there can be very serious side effects associated with getting the vaccination, and the side effects are at this time considered to be a much greater threat than any risk from actually contracting the disease. It's for this reason that the province of Alberta stopped providing smallpox vaccinations back in the 1970s. Because of the risk of side effects from the vaccine, we would meet any outbreak of smallpox in the province with the currently accepted medical practice, and that would mean that we would vaccinate only those people who have the disease and anybody that they had come in contact with.

Again, Mr. Speaker, I will simply state that the risk of contracting smallpox from any source is very small in this province.

head: Members' Statements

THE SPEAKER: The hon. Member for Bonnyville-Cold Lake.

Alex Young

MR. DUCHARME: Thank you, Mr. Speaker. It's my pleasure today to recognize one of my constituents, Alex Young, a 13-year-old grade 8 student at R.A. Reynolds school in Cold Lake. Alex was the first-place winner of the 2000-2001 intermediate poem competition sponsored by the Alberta-Northwest Territories Royal Canadian Legion. His award-winning poem, entitled *On the Eleventh*, also received second place in the 2000-2001 intermediate dominion poem contest.

On November 8 at a Remembrance Day ceremony here at the Alberta Legislature, hosted by yourself, Mr. Speaker, Alex shared his poem with a recitation to those present. This young man composed a very compelling and moving poem which belies his 13 years of age. His level of maturity and understanding of events during the last two World Wars and the Korean War shines through in every verse.

Prior to the Remembrance Day service at the Legislature, a copy of *On the Eleventh* was given to all MLAs. I have received many complimentary remarks on Alex's poem, and I know that it was used in several constituencies during their November 11 services.

To Alex I say that we are proud of you and your accomplishment, and we thank you and your family for the gift you have given to all Albertans and Canadians. Thank you.

I would now like to read into the record Alex Young's *On the Eleventh*.

On the eleventh hour
Of the eleventh day
Of the eleventh month
I shall pray,

For all the soldiers
Who went and fought

To win our freedom
Which they brought,

For all the men
Who went and died
And the teens who went
Because they lied,

For all the soldiers
Who lost their lives
Also lost families
And their wives,

For every minute
that I pray
In my mind
I shall say,

Thank you for fighting
To make us free
Thank you from everybody
Not just from me,

For every poppy
That I see worn
I shall remember the hearts
That were torn.

So many dreams
And lives were lost
When those soldiers died
At a very great cost.

Thank you, Mr. Speaker.

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

2:40

Independence of Legislative Branch

MR. MacDONALD: Thank you, Mr. Speaker. Each and every member who has a seat in this Chamber is part of the legislative branch within our Westminster system of government. This branch is independent of both the executive and the judicial branches. Although parliamentary independence has never been doubted, it was enshrined in the English Bill of Rights of 1689, which explicitly prevented the Crown from reaching into the realms of the legislative branch.

In addition, all Legislative Assemblies in Canada, at both the federal and the provincial levels, look favourably upon the Supreme Court of Canada's ruling in the Donahoe case, which reinforced the legislative branch's independence after the repatriation of the Constitution in 1982. We can also point to the recent decision of the Ontario Court of Appeal in Speaker of the Legislative Assembly versus Ontario Human Rights Commission, where the court agreed that no board, commission, department, or other such body of the executive branch can interfere with the legislative branch's parliamentary privileges and procedures. Mr. Speaker, in Alberta the codification of the powers, privileges, and immunities of the Legislative Assembly resulted in the Legislative Assembly Act, which has undoubted constitutional pre-eminence over all other legislation in the province.

In conclusion, Mr. Speaker, I urge all members in this House to take note of the legislative branch's entitlement to be and to be seen as being independent of the other two branches of government.

Thank you.

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

Princess Patricia's Canadian Light Infantry

MR. LUKASZUK: Thank you, Mr. Speaker. The events of

September 11 have left an impression on all Albertans as we deal with the emotional, economic, and political consequences of the tragedy. No doubt, among the most affected by the events have been the men and women who proudly serve in Canada's armed services. The call has been made for these citizens to prepare for the duty they trained for, to defend against the global threat to the values of peace and compassion that so finely define Canada.

It is a privilege and an honour this afternoon to recognize the members of Canada's armed forces stationed in Edmonton who have been called upon to contribute to this effort, the 3rd Battalion of Princess Patricia's Canadian Light Infantry from the Canadian forces base in Edmonton. Members of this battalion currently compose part of Canada's immediate reaction force to the situation in Afghanistan. Approximately 800 soldiers are on a 48-hour notice that could see them departing across the globe in days or weeks ahead. With the continually changing situation in Afghanistan, the exact duty of these soldiers has not yet been fully confirmed. It will likely involve the protection of humanitarian missions urgently needed to secure a stable supply of food and resources to the impoverished population as the winter approaches.

The Princess Patricia's Canadian Light Infantry has a storied tradition, Mr. Speaker, in the Canadian armed services. It has served during some of Canada's most urgent times of need, from Ypres in World War I to the invasion of Sicily in World War II to service in the Korean War. In preparing to go overseas again, these soldiers honour this brave and defiant history. Canadians and Albertans salute the commitment to duty that these soldiers are displaying today. Our thoughts and prayers are with you and your families in these anxious days. Our hope will be for a safe and peaceful return. Thank you for your commitment to securing a better future for Canadians and those in need across the globe.

Thank you, Mr. Speaker.

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

Election Campaign

DR. PANNU: Thank you, Mr. Speaker. General elections are the cornerstone of democracy. During the weeks of an election campaign we politicians cease being decision-makers and have to apply for our jobs all over again. The single most important task of each office-seeker is to honestly and accurately represent their view of what must be done, changes that must be made, and their vision of the future. Doing so allows voters to exercise their own independent judgment. It allows them to choose between competing visions and policies. In order for the citizens to make an informed and meaningful choice, they must have all the information about the candidates and their party's positions and intentions.

Now, over and over again before the last election the Premier assured Albertans that he was committed to the fundamental principles of the Canada Health Act. On February 15 he said, and I quote: without hesitation we will fully commit ourselves to the fundamental principles of the Canada Health Act. This statement is just one of many made by the Premier and his ministers.

With the election over and a majority safely under his belt the Premier now feels free to break every commitment he made. He wants to challenge the Canada Health Act, he wants to introduce user fees, he wants to delist services. Everything that he said he wouldn't do before the election he plans to do after the election. Whether it's a flip-flop or a genuine change of heart on the Premier's part, it is incumbent on him to seek a fresh mandate from Albertans on his so-called health care reforms before he implements them.

Thank you, Mr. Speaker.

head: Projected Government Business

THE SPEAKER: The Official Opposition House Leader.

MS CARLSON: Thank you, Mr. Speaker. I would ask that the government share the projected business for next week with us at this time.

THE SPEAKER: The hon. Deputy Government House Leader.

MR. STEVENS: Thank you, Mr. Speaker. I'm happy to provide the projected government business for the week of November 19 to 22 inclusive. On Monday, November 19, in the afternoon there'll be second reading of bills 25, 26, 23, and 24. That evening, commencing at 8, there'll be second reading of bills 29 and 28, and there'll be Committee of the Whole on bills 27 and 22 and as per afternoon progress.

On Tuesday, November 20, commencing at 4:30 in the afternoon, there will be Government Motions and second reading of bills 28 and 25. That evening, commencing at 8, there will be second reading of bills 28 and 25, Committee of the Whole on bills 22, 23, 24, 25, 26, and 27, and as per the Order Paper.

On Wednesday, November 21, commencing at 8 p.m., there will be messages, supplementary supply, and second reading and/or Committee of the Whole on bills 29 and 28, Government Motions, and as per the Order Paper.

On Thursday, November 22, in the afternoon there will be Committee of Supply, day 1 of one, supplementary supply estimates, there will be the introduction of the supplementary appropriation act, and as per the Order Paper.

head: Orders of the Day

head: Government Bills and Orders

head: Third Reading

Bill 21 Electronic Transactions Act

THE SPEAKER: The hon. Member for Spruce Grove-Sturgeon-St. Albert.

MR. HORNER: Thank you, Mr. Speaker. I rise today to speak to Bill 21, the Electronic Transactions Act. I would like to address a couple of questions that were raised during second reading. The first question was in reference to section 8 of Bill 21 regarding the meaning of inferred consent. Mr. Speaker, the concept of inferred consent is found in all of the legislation dealing with electronic transactions in Canada. To provide a picture of what this means, I'd like to offer the following example. If a person places an order with a company through their web site, this can be deemed to have provided inferred consent to conduct the business transaction on-line with the company. Another example of inferred consent could be a client handing out a business card with his e-mail address on it to a private company. The company may take this as inferred consent to conduct business with this client electronically. The key words are: "if there are reasonable grounds to believe that the consent is genuine and relevant to the information or record." In both of these cases there is a tie-in to the use of electronic means because of a person's conduct.

The second question that was raised related to section 29 and what is meant by a material error. The definition of a material error, Mr. Speaker, will depend on each case. However, the general application of this section is as follows. The law has rules about the effects of mistakes. Not all mistakes in law are enough to make a

contract invalid. It is only when they are material or go to the heart of the contract that they become important enough to invalidate the contract. However, in the electronic realm it could happen that a key is hit in error when typing or a person might click the mouse in the wrong spot on the screen and, by doing so, send a command with more significant consequences. As an example, if a person types in 1,000 chairs but means really to only buy 10 chairs, that would be a material error.

Mr. Speaker, I hope that this explanation has answered the questions raised in the House, and with that I would like to move third reading of Bill 21. Thank you.

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

2:50

MR. BONNER: Thank you very much, Mr. Speaker. It is a pleasure to rise today to speak to Bill 21 and to thank the hon. Member for Spruce Grove-Sturgeon-St. Albert for sponsoring this bill. Certainly I would like to add my support for the bill, especially considering that there was consultation with the stakeholders to develop this necessary legislation. As well, one of the strengths I do like about this bill is that it still allows consumers the choice as to whether they are going to use electronic transactions or paper transactions in the course of their business. I know it is certainly the future. I doubt that there is anybody in this Legislature who hasn't at some point given their credit card number over the phone for purchases or whatever. Again, it is a direction that we're moving in, and one that we do look forward to supporting.

I also support the idea that electronic transactions will be given the same legal status as paper transactions with this bill. It is certainly a bill that is required. It will speed up our transactions in business, and I think it also helps to address some of the skepticism about our giving permission for electronic transactions. Certainly this will help to alleviate consumer concerns, and I think that we have to address those concerns, the concerns of confidentiality and legality of electronic information. As well, Mr. Speaker, I think this is also a piece of legislation that will certainly bring us up to par with certain other provinces in the country. I certainly urge all members of the Assembly to support this piece of legislation.

Thank you very much for this opportunity to speak to this legislation today.

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

MR. MacDONALD: Thank you very much, Mr. Speaker. I've been anxious to speak about Bill 21, the Electronic Transactions Act. As the critic for consumer affairs, or Government Services, as it's now called, I think that this is noteworthy legislation and it's certainly worth supporting.

Now, as I understand the research that has been conducted by our side of the House, this measure brings us forward along the same lines as the British Columbia legislation. It certainly is going to be an increasing means of having transactions. I have looked at the recent budget update that was released by the hon. Minister of Finance, or the Provincial Treasurer, and in those documents it was indicating that 61 percent of Albertans have access to the Internet. Obviously, whenever we have a bill that its intent is to legally recognize electronic information – this bill does not require any person to transact or consent to agreement through strict electronic methods unless the person agrees to it.

Now, I heard an hon. member talk about the Supernet. Just this very weekend I was looking at the *New York Times*, and they were advertising an electronic version of that newspaper and how you

could be billed for that newspaper. I was scanning through this paper – it's a very good read; it's a pleasant way to spend part of a Sunday – and I saw in there "An Oklahoman From Up North," and this caught my eye. Here it was, one member of this Assembly, the Minister of Energy, quoted in the *New York Times*. All hon. members could look at this in the electronic version, and they could sign up to receive the electronic version on their legislative laptop if they so wished. Their signature, after this bill becomes law, would be valid, as I understand it, on that bill. The hon. Minister of Energy said, "We're the new Oklahoma." He declares in the *New York Times* Sunday, November 11, edition that Alberta is the new Oklahoma, and I thought this was very, very interesting. It was quite a proclamation. I don't know if John Steinbeck would like Alberta to be called the new Oklahoma, but certainly the Minister of Energy did.

Now, Mr. Speaker, in light of the Electronic Transactions Act, we have to note that the definition of "public body" used by this act does not include:

the Speaker of the Legislative Assembly or the office of a Member of the Legislative Assembly . . . the Court of Appeal of Alberta, the Court of Queen's Bench of Alberta or The Provincial Court of Alberta,

and a "legal requirement" is a reference to any law "that imposes consequences" if proper records are not used, signed, or retained. When consumers consider the use of this information, the first two things that consumers think about are privacy and security. I have concerns about the security of all e-mail. So whenever these electronic transactions are going on, whenever people have these concerns, I think they're very valid. I'm sure there's not a member of this Assembly who would like any electronic transactions that they may make or that they're through the process of deciding whether they will make – that's their business, and it should remain their private business.

When we look at the security of on-line payments and how it is a key consumer concern, many experts have suggested that making on-line payments through a secure site with state-of-the-art encryption is safer than handing a credit card to a stranger in a restaurant or a gas station. However, few consumers understand encryption and must take on faith a merchant's assurances of payment security. Now, I don't know where we're going to wind up with all these electronic transactions, but any on-line payment system, whether your signature, or your so-called John Henry, goes on, that system must be secure, it must be reliable, accurate, and lastly, accessible.

Purchasers, or in this case consumers, need to be assured that their payment will not be intercepted by thieves and that any financial information goes only to the intended merchant. Individuals are going to have little control over that signature, in my opinion, in an on-line transaction or, specifically, a purchase. Each transaction leaves a data trail that anyone can compile in a profile of preferences, spending patterns, demographic particulars, and financial status. Merchants can collect valuable marketing information this way.

Now, hon. Member for Spruce Grove-Sturgeon-St. Albert – I finally got that right. When we think of the enormous commercial potential, I don't know if we are taking enough thought, but that will be determined. Perhaps that can be addressed through regulation if there is a need for that. But the use of that signature should be for what it's intended.

3:00

As more and more personal information becomes digitalized and transmitted through networks, the risk of misuse increases, and when we think of misuse, what do we think of? Well, perhaps these days we're thinking of national security organizations, whether it's the FBI or whether it's CSIS. They are following patterns of electronic

exchanges between terrorist organizations or individual members within that organization. There's no doubt in my mind that it can be done, but there has to be control.

We also have to consider with electronic transactions children, children who are home and children who are vulnerable to slick marketers. We saw reference to this recently on an evening newscast about the slick marketers and seniors in this province, and any system can be exploited.

Those are a few of the cautions that I would have regarding this bill, but I certainly think it is a step forward, and we will see how it works. This bill legally, again, recognizes information that is in electronic form, and on any document that legally requires a signature, an electronic signature can or will fulfill the requirement. It sets the guidelines for electronic transactions, including payments. As I said before, we will see if this is enough. There is always a need for improvement.

I think in closing, Mr. Speaker, this bill is a long overdue recognition of the importance of electronic information to businesses and to government. Guidelines are needed for electronic transactions in order to give reassurances to the clients and providers of the confidentiality and legality of electronic information. Again, I would like to say that I appreciate the work that the hon. Member for Spruce Grove-Sturgeon-St. Albert has put into this bill. I certainly hope that if there are any deficiencies as the marketplace progresses with electronic transactions, they can be dealt with forthwith and that consumers are not burnt like the consumers that are faced with large bills after the unfortunate collapse of Canada 3000. But that is another issue, and it's an issue that I'm sure the hon. Minister of Government Services is going to deal with forthwith.

I hear a whisper behind me about pine shakes, and that's another consumer transaction that is still unfolding. It's before the courts, and the courts certainly will deal with that, I am quite confident.

Thank you.

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

DR. MASSEY: Thank you, Mr. Speaker. I'm pleased to have an opportunity to make some comments about Bill 21, the Electronic Transactions Act, at third reading. It's the practice, of course, that at third reading we will revisit the principles of the bill.

I believe that the bill, as far as it goes, embodies principles that are reflected certainly in electronic transaction elsewhere, and certainly the similar legislation that's been enacted in British Columbia and the California and Pennsylvania acts which we looked at are much more comprehensive than what we have before us today.

The whole business of electronic transactions is not, of course, confined to the Internet. We've been involved in electronic transactions for a number of years. My first sort of scrape with an electronic transaction that went awry was with my credit card. I had used the credit card at an establishment – it was at a hockey game – to pay for a meal. Lo and behold, the next month I received a bill, an entry on my credit card statement, for \$1,000 from a florist shop. I reported to the credit card company that I hadn't made any such purchase and heard nothing. The next month another statement with another entry for a flower shop for \$800; these were for roses. I was subsequently visited by a detective for the credit card company, who informed me that my credit card number was being phoned in to a flower shop in Edmonton by an inmate at the Grande Cache jail who was ordering flowers for his friends and selling the flowers to them at half price and charging the orders by telephone to my account. So it was sort of an early lesson in the kinds of difficulties that electronic transactions, primitive as it was on the telephone, can get you into. I think I've been suspicious ever since, and I'm still very

careful in terms of Internet transactions and haven't quite brought myself to take full advantage of that medium in terms of making purchases and paying for services.

One of the items that the bill touches on, of course, is the question of signatures. Signatures have been central to much of the legislation that has been enacted elsewhere. The questions surrounding signatures are three. First of all, is it signed? Secondly, what is signed? Three, who signed it? Those three concerns have been central certainly to disputes and certainly to fraud cases, and they are dealt with in the bill but only tangentially in terms of those concerns. This is of course more of a concern with faxed materials than it is, actually, with material on the Internet.

But "is it signed?" is a question that is really a very, very difficult one to answer, and unless there are arrangements that have been made by the purchaser or the client and the supplier of a service or a product in terms of how that signature is going to be verified, then it can possibly lead to a great deal of difficulty. In trying to determine that signature, a number of jurisdictions have gone to some lengths to try to make a rigorous test of if it is signed so there's confidence that the signature that appears on the paper is actually the person they think it is. Again, I think this legislation doesn't address that in the kind of detail that it has been addressed elsewhere.

3:10

The second question: what is signed? The question usually surrounds whether a signature that is actually on the record is the signature of the person who has made an order or has asked for a service. It gets involved, particularly if there are attachments to an electronic document. If there are attachments, it becomes much more difficult to determine exactly what is signed unless there is provision for the signature to be generalized to those attachments or some method used to verify that that is the actual case. A number of law cases have centred around the challenge that someone makes claiming that they did not in fact sign a document that a supplier of services holds.

Again, with "who signed it?" it's the need to authenticate that the person whose signature appears on a document is really the person who actually signed it and that it wasn't someone else. Of course, with faxed materials and other such materials then it becomes harder to verify actually who has signed the material. Given the difficulties, particularly in fraud cases, that there have been elsewhere, this has become a greater issue and threatens to be a larger issue in the future.

In the act before us I think one of the highlights is that it legally recognizes information in electronic form. It's the growth of Internet business in particular, I think, that has been the impetus for legislation like this and legislation elsewhere, and it's going to be an increasingly important aspect of our lives. It will be surprising to me if we're not back with amendments to this bill in the spring session or certainly within the life of this Legislature as the kinds of problems that arise from conducting business electronically emerge and require solutions.

So it's a good bill in that it's our initial bill and recognizes the importance of information in the electronic form. Also, the bill recognizes that electronic signatures are legitimate and that it's legally acceptable to do business through electronic means using electronic signatures. Again, it doesn't address some of the questions I raised earlier about the nature of that signature, but I think that will come. It will be interesting to see the kinds of regulations that fall after this bill is passed in the Assembly. It also sets forward the guidelines for electronic transactions, including payments. Again, those are much needed by those people who engage in electronic commerce.

I guess the final and important part of the bill is the part that deals with the Alberta Evidence Act and the use of electronic evidence and the acceptance of electronic evidence by the court system. I believe, Mr. Speaker, that we have indicated that we are supportive of the bill. I think that there are other things that need to be developed following the bill and that there are going to be, as I said, new situations arising that will cause amendments back with the bill. I think a number of speakers have addressed the problems of privacy, a concern that all of us have and that, again, is becoming a larger problem as electronic commerce increases.

So with those comments I'd like to conclude. Thank you, Mr. Speaker.

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

MR. MASON: Thank you very much, Mr. Speaker. It's well known that electronic transactions are multiplying very, very rapidly. What started out as just a way to order books or music or a way to auction off your goods has become a fundamental part of the business transactions and many other types of transactions of a legal nature that occur within the economy and within society as a whole. So I think that this is a case of the legislative function catching up with the commercial and legal reality of today's world. Even after the collapse of the dot com bubble about a year ago, electronic transactions have continued to become a more and more significant part of the commerce and the interaction of organizations and individuals right around the world. I think it's timely that an act should be established to try and recognize and control the legitimacy of electronic transactions in our society.

I think that this act may be just a first small step in that regard. One of the things that has struck me since I've increasingly been making use of the Internet, including occasionally to purchase things, is the enormous capacity of computer technology to deceive, to trick, and to ensnare people. I think that people need and deserve adequate protection. In that respect, I think that the bill is not going to go far enough in providing those protections, but its focus is really much more on just legitimizing transactions.

I'm concerned, though, that parts of the bill do not provide enough clarity. It indicates: if there's "reliable assurance as to the integrity of the information. . ." It generally doesn't provide clear and strong definitions of some of those things. I suppose those things will remain to be determined by courts, by common law. I don't know. Perhaps on third reading the mover of the legislation could speak further to that. My view is that electronic transactions have become a fact of life, but it's going to be an extremely difficult and onerous task to ensure that the rights of individuals, organizations, companies, and so on are actually protected in the legislation.

3:20

I just want to get back a little bit, Mr. Speaker, to some of the things that I've seen. One thing that I've seen on the Internet is deceptive advertisements that may commit somebody to actually entering into a contract, but what actually appears on the button that you press when you put your cursor over it and click on the mouse is not exactly what it appears to be. The difficulty of proving those things, I think, is something that we should be taking into account when we look at this particular piece of legislation.

There are, I think, many definitions that could be added to this particular piece of legislation, Mr. Speaker. For example, it says that consent must be given by a person to "provide or accept information . . . in electronic form." Consent may be "inferred from a person's conduct if there are reasonable grounds to believe that the consent is genuine." The difficulty of proving some of those things

is what the rub is. Everything on the Internet is so transitory, and what appears there one day when you click your mouse is not necessarily what's going to appear there the next day. So I believe that there should be stronger protections for people. It's great and it's fine and it's necessary to recognize electronic transactions, but policing electronic transactions is a much more difficult thing.

I think we also need to go further, Mr. Speaker, and talk about the uses of electronic information that is collected. One of the things that I've noticed is that almost every chain store now when you make a purchase asks for your address, asks for an e-mail, asks for phone numbers, asks for all sorts of information which you're not required to provide to them, and they don't tell you what it's going to be used for. What it's used for primarily is for marketing. So there are types of electronic transactions you may enter into yet not even realize that your information has gone into a computer. The technical development of computer systems and the Internet provide a real challenge for regulation and provide a real challenge to protect consumers and ensure that transactions are, in fact, as enforceable as they may be on paper.

I think the act is a good first step towards that, Mr. Speaker, but it is only a first step and not to be seen, I think, by anyone as the final answer with respect to electronic transactions, which are going to continue to multiply and multiply. I would predict that within 10 years the majority of transactions in the entire society will be conducted electronically, and this act will have to grow and change in order to accommodate those developments.

There are many unforeseen challenges ahead, and I hope that the hon. member will continue to endeavour to stay on top of these emerging issues and provide us with bill after bill, perhaps in electronic form, Mr. Speaker. Maybe one day we'll be voting and amending from home and writing our speeches so that everyone can read them or not, as they choose.

With those short comments, Mr. Speaker, I will take my seat and indicate that we are prepared to support this bill.

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

DR. TAFT: Thank you, Mr. Speaker. As usual, it's a privilege to speak to legislation in this Chamber. Our position, as has been made clear, is that we will be supporting this bill. The effect of the bill ultimately is that it recognizes an electronic signature as sufficient to fulfill any legal requirements for signature in a formal way, and as we've all said, that certainly goes with the changes in times in commerce and, indeed, in all kinds of transactions in society, commercial or otherwise.

We've probably all had experiences which raise concerns for us, however, about security with credit cards or, indeed, with other electronic transactions. I know that if I'm in an airport, for example, and make two or three phone calls using a credit card, a phone call is almost immediately made to my house to confirm that I'm actually on the road, because of the prevalence of abuse of electronic commerce.

I actually would concur with the comments of the hon. Member for Edmonton-Highlands that this is probably only a beginning in terms of legislation for electronic transactions, that we really do need to take further steps, and undoubtedly this bill in other forms will be coming back. I wonder, for example, about issues of national security, and while those are certainly beyond the scope of this Legislature, if we are implementing a bill, a law that formally recognizes electronic transactions in this way, has there been any consideration of how this will play into issues of transactions of funds from Alberta to other countries, especially if they are illegal transactions?

I wonder about this because when I look at the definition of an electronic signature here, the meaning seems to be vague, and I'm not at all sure how it is that we are going to avoid or even identify fraud that's occurred. The definition of electronic signature under Bill 21 is: electronic signature "means electronic information that a person creates or adopts in order to sign a record and that is in, attached to or associated with the record." My concern is that this is simply going to allow an undefined number of things to qualify as an electronic signature, and there's no way of verifying the legitimacy or validity of those signatures. I think, for example, of the ability to identify a handwritten signature, and I compare that to the ability of identifying an electronic signature. I don't see any comparable security there. So I am concerned that this bill doesn't go far enough, in effect, in providing security.

This is a case where society has run way ahead of our ability and our speed as legislators, and we are needing to catch up, so it is a reasonable first step. We are seeing that legislation almost identical to this is already in existence in other provinces, like B.C., so certainly we'll support this, and undoubtedly before the next three years are over, we will be back to extend it. In fact, it wouldn't surprise me if that happened sooner rather than later given global developments with electronic commerce and concerns over international security.

Nonetheless, I am pleased to stand and throw my weight behind this. So with those comments, Mr. Speaker, I'll take my seat. Thank you.

THE SPEAKER: The hon. Member for Spruce Grove-Sturgeon-St. Albert to close the debate.

MR. HORNER: Thank you, Mr. Speaker. I would just like to refer the hon. members to my comments of November 13 in *Hansard* which do address a lot of the privacy, security, and other issues that were raised here this afternoon and some good issues. The issue of federal law has also been dealt with in my comments which are in *Hansard* and with regard to the federal act that was passed.

With that, Mr. Speaker, I am honoured to close debate and ask the support of all members of this House for the passage of Bill 21.

[Motion carried; Bill 21 read a third time]

3:30

head: Government Bills and Orders

head: Second Reading

Bill 28 Agricultural Operation Practices Amendment Act, 2001

MR. KLAPSTEIN: Mr. Speaker, it gives me great pleasure to move second reading of Bill 28, the Agricultural Operation Practices Amendment Act, 2001.

These amendments will give the province responsibility for approving, monitoring, and enforcing standards for new and expanding confined feeding operations. These amendments will also increase the province's ability to deal with nuisance complaints such as odour and dust associated with agricultural operations. These are important issues to many Albertans and to many of our agricultural producers.

I should mention, before we go further, that confined feeding operations previously have been referred to as intensive livestock operations. This new term, CFO, is a description that more closely reflects the nature of these livestock operations. CFOs are fenced or enclosed areas where livestock are confined for the purpose of feeding. They do not include grazing or seasonal feeding and bedding sites.

Mr. Speaker, these amendments were not conceived yesterday. They are the result of more than three years of extensive consultation with the livestock industry, the public, municipalities, and other organizations representing stakeholders across the province. You will recall reports prepared by the Livestock Regulations Stakeholder Advisory Group in May of 2000, which proposed a regulatory framework for livestock operations. In addition, a committee that I had the pleasure of chairing recently prepared a report titled Sustainable Management of the Livestock Industry in Alberta, which dealt with the issue of roles in an approval process.

Through three years of work that included countless hours of presentations and thousands of pages of submissions, there were several clear, common threads. We heard the need for consistent, transparent, science-based decisions that would guide the development of new and expanding CFOs. We heard the need for improved monitoring and enforcement of these livestock operations. We heard the need for a system that would ensure the sustainability of our multi million dollar livestock industry while ensuring the protection of our air, water, and soil. The amendments that we are debating today meet those needs. Firstly, by broadening the mandate of the Natural Resources Conservation Board to include the approval, monitoring, and enforcement of new and expanding CFOs, we will provide a one-window approach for the livestock industry and the public. Secondly, we will achieve consistency and transparency, because the NRCB will be the single agency that will approve applications for new and expanding CFOs rather than a myriad of municipal councils. Finally, we will achieve our goal of science-based decisions rather than, as we have sometimes seen, emotion and political expediency.

Municipalities will continue to play an important role in this process. We encourage municipalities to develop land use plans that identify where CFOs would not be compatible with new or future developments. Each municipality will automatically be notified and its input will be sought when an application is received for a CFO within its municipal boundaries.

Mr. Speaker, the NRCB is an excellent choice for administering this provincial responsibility. It has the basic infrastructure in place so that we can add to its responsibilities. The NRCB is an agency that does not report to Agriculture, Environment, or Municipal Affairs. Its neutrality through a reporting structure to the Minister of Sustainable Resource Development will be critical for its credibility in locating, monitoring, and enforcing new or expanding CFOs. As well, the NRCB will ensure that existing CFOs continue to comply with the municipal conditions under which they were approved. These existing operations as well as seasonal feeding and bedding operations will all be required to comply with new manure management regulations within three years.

It is quite true that not all municipalities support our decision to assume provincial responsibility for CFOs, but not all municipalities have the same level of technical expertise to approve and monitor this ever changing industry, nor do all municipalities have the will to make decisions that are often charged with emotion and conflict. This is precisely why we are assuming provincial responsibility for new and expanding CFOs.

The livestock industry is a critical part of our Alberta economy. Last year it contributed \$4.4 billion, and this year livestock receipts are expected to grow to a record \$5 billion dollars. It is the strength of the livestock industry that is supporting our agricultural industry during times of adverse weather conditions and low commodity prices. In order for our livestock industry to grow, we need to eliminate uncertainty and inconsistency. We cannot continue to see livestock operations leave Alberta in favour of neighbouring provinces or the United States because of a lack of clear and

consistent regulation. But our livestock industry will not grow at any cost in Alberta. Equally important is the protection of our environment. That is why it is so important for us as a province to assume responsibility for new and expanding CFOs. We need consistent regulations and standards that ensure the protection of our environment and the stewardship of our air, water, and soil.

Via the expanded role of the NRCB we will be able to show Albertans that the livestock industry is responsible. Through the work of municipal land use planning we'll be able to identify areas where the development of CFOs would not be compatible with current or future land uses, and through a consistent process across Alberta we'll be able to ensure the successful development and expansion of the livestock industry in our province, an industry that can produce world-class product while creating economic activity and jobs.

Thank you.

THE SPEAKER: The hon. Member for Lethbridge-East.

DR. NICOL: Thank you, Mr. Speaker. I'd like to begin by complimenting all of the people who have worked on developing this set of recommendations and all the work that's been put in by members of the livestock industry and the Member for Leduc. It's been yeoman's work indeed in terms of trying to get a consensus. Well, in fact, I don't really think it is a consensus yet at this point, but it's at least a good majority of the stakeholders in the industry and in the communities outside with the kind of changes that are being proposed.

[Mr. Shariff in the chair]

We look back, Mr. Speaker, and I think everyone has to accept and recognize the benefits that will come to Alberta if we move to the provincial level environmental approval as proposed in this act and through the approval process of the NRCB. The thing that is important is that when we were dealing with approvals before, in a lot of cases conflicting information was provided, and the local municipalities in the context of their decision-making didn't have on staff the expertise. In some cases the cost of providing or bringing in experts became prohibitive, and what we saw was basically a lot of discussion without the ability to truly evaluate the information being presented as to whether or not it was really a threat to the environment and the community.

Mr. Speaker, there were also a lot of allegations that some local governments were using the environment and environmental standards as either means to prohibit or to encourage future development and more development. In the areas where they were trying to encourage that development, you were ending up with lower standards, and that basically affected the environment for all of Alberta, not just, you know, that one particular operation. So we had to look at what was needed, and the process that the committee went through in trying to come up with a set of processes I think has given us kind of a starting point here where we're going to be able to see whether or not it works.

3:40

There are some real issues that come up in terms of, I guess, the recommendations, the changes that are being put into place in this act. I think I'll start with kind of the lighter side of it that I see in the sense that, you know, we're changing the name again of the operations we're dealing with, just at a point when the public begins to understand what an intensive livestock operation is and what impact that may have on their community. I know that now carries

a reasonably negative connotation, but when you look at the new name, a confined feeding operation, you look at it from the point of view of: I've got a neighbour that's got a few little goats that are totally confined, and there's only about 10 of them. Most people would say: "Well, they're confined. That's a feeding operation because he carries the food out to them every day." I think the idea of an intensive livestock operation, that title in itself, notwithstanding the potential negative connotation that's out there in the community, reflected the issue much better than a confined feeding operation title, because its density really has the potential environmental threat, the potential community nuisance effect. It's not whether or not they're confined in an area. It's the level of density that is really significant.

You know, I don't see the change in name really helping all that much. In fact, to me it really creates another interpretation problem that we're going to have, and the definitions that show up in the act don't really help a lot, other than the fact it excludes grazing activities. So if I've got a little pen the size of this Legislature and put 50 animals in it and go out every day and plant a piece of grass, I can say that my animals are grazing, that I'm not really feeding them. How do we get around these kinds of definitions? We have to start talking about process as much as we do about definition.

I guess the real issues that come up, Mr. Speaker, are how we go about dealing with both the approval process and the impact that we see coming out into the community. One of the things that I think has always been important in terms of how we define and how we put together the legislation under which our communities act has been: what is the point of control? I guess when I look through Bill 28 now, I come out and I say: okay; what options are available for a local community to in effect determine their character, who they are, what they want as a community? I come back and I say: well, you know, we've really taken away from those local communities the chance to determine who they are, what they are, the kind of economic activity that goes on in that community with respect to livestock production.

The act goes through – and we've heard the minister on numerous occasions stand up and say: well, you know, the local community will be able to have input because they're going to have a land use plan. Well, I was hoping, Mr. Speaker, to be able to look into this bill and see this bill provide flexibility for the local communities in determining their land use plan, because right now basically the local community can define land as agricultural, as pasture, or as irrigation under the Municipal Government Act. We end up with land that's classified as agriculture then having two options: the first being permitted uses on that land and discretionary uses. Well, if we go through, the options that are now available in that land use plan are to take this agriculture area and either designate it as livestock permitted or livestock discretionary. So in effect what we've done is given the community a chance to say: yeah, over here we're not going to argue if there's an intensive livestock operation; it's okay to put it over there.

I'll use the county of Lethbridge as an example. You know, Feedlot Alley gets lots of good publicity and some not so good publicity, but the idea is that the county of Lethbridge, just by default almost more than by plan, has divided by the river. On the north side of the river we see a lot of our large-scale livestock operations. On the south side of the river we see more acreage developments. We see the McCain potato processing plant coming in there. The livestock activity that's there is what you would call small to medium size as opposed to what I call intensive livestock but I'm going to have to now call confined feeding operations. What we end up with is that that community in a way made a choice that over here, in the aggregate, intensive livestock is a permitted use.

When you start talking to the individuals who are affected by one of those operations, they don't see it as a permitted use; they still see it as discretionary. Even if the county were to say: okay; in this area we want to have permitted use; over here intensive livestock is discretionary – that's the only options they've got under the Municipal Government Act.

Now, if someone wants to put a confined feeding operation over here where it's discretionary, they make application to the NRCB, the NRCB looks at it, and from what I read out of this so far – you know, we don't have the regulations yet, so we can't really understand how this is going to be applied. What I see here is that, essentially, if this is a permitted use by the local municipality in their land use plan, the local municipality has very little if any input into a decision by the NRCB. If it's a discretionary designation, the local municipality can come in and say, "Okay; we've got these concerns," or "No; let it go ahead." Now, the trouble is that if they say, "We've got these concerns," and the NRCB says environmentally, because it's only environmentally that they can make a judgment – you know, if it fits all of the criteria that are outlined in the guidelines and the regulations, the NRCB basically can't say no. So what happens is that we've got a discretionary parcel, the NRCB is confined by the regulations as to what they can consider, and if it meets all of those, they basically have to approve it. So the local community had essentially no say in whether or not that operation went ahead or was stopped.

Mr. Speaker, I guess what I was hoping to see in this piece of legislation was some absolutes at the local level. Why shouldn't we take this act and also amend the Municipal Government Act and say, "Let's give the local municipality not only the agriculture discretionary/nondiscretionary options within their land use plan, but let's give them an option of, say, as a minimum, three levels of agriculture development"? One would be kind of minimal livestock and cropland-type agriculture land, the other one would be small-scale or medium-scale livestock, and then the other one would be intensive livestock, or confined feeding operation, compatible. This way the local community in effect can say no. Under this bill the local community cannot say no.

What we also can do in this context that I've just described is put in a set of guidelines or requirements or even a law that says: you can't effectively exclude confined feeding operations from all of your land; there must be some land in your jurisdiction where intensive livestock, or confined feeding operations, are a permitted use. This would in effect take away the option that we saw come up, Mr. Speaker, when the Taiwan Sugar application was going in in the county of Forty Mile. There was a lot of discussion about the fact that one of their five barns was going to be in a place that the community felt was too close to a recreation park. Well, what we could do, then, is under that kind of an activity, if the local community wanted to say: okay, around that recreation park, for the dust or for the odour reasons, which we don't really have good scientific evidence to talk about minimum distances on, let's talk about, say, giving them an extra mile or giving them an extra two miles' distance separation. The local community can say: that's what we want. Taiwan Sugar then could have just moved their one out of the five barns two or three miles away, found another place where it fit the environmental standards, and it would have fit. To me this is the kind of flexibility in determining the local community that we should be encouraging for our rural municipalities.

3:50

Mr. Speaker, if we're an urban municipality – a city, a town, a village – we get a whole range of classifications for the commercial and industrial development of our land base. How many within the

city of Edmonton or within the city of Calgary? I know in the city of Lethbridge we have a whole series of levels of industrial land classification. We have a whole series of levels of commercial land classification, never mind residential. But what we've got there is that basically the community can say: we want heavy industry over there, light industry here, medium industry here, high-density commercial. They get a choice. Why is it that we're not willing to give that same choice of defining the community to our rural municipalities? We're basically saying: if you don't want this confined feeding operation, as long as it meets the environmental standards, too bad.

Well, I think that that is not being responsible as government. We as a government are elected to basically make sure that our communities that we represent have a chance to have a degree of self-determination, of self-definition, and I think it's very important that we reconsider this aspect of the bill.

Mr. Speaker, in the end I'm going to vote for this bill because this bill does essentially create provincial level environmental standards, which are an absolute must for this industry. But if we're going to do that, what we also should do is remember the communities we come from. We've got to make sure that these communities have a sense that they are part of the process.

Mr. Speaker, I live two miles south of what is going to be called a confined feeding operation. I live a mile and a half east of what will be called a confined feeding operation. Now, I enjoy my community. I don't think there's been more than maybe one day in the 13 years I've lived there that I've felt: boy, I don't like living here because of those two feeding activities. When we have responsible operators, we can have enjoyable communities. The interesting part is that I live in the county of Lethbridge, but I got a letter last spring from the city of Lethbridge, a questionnaire talking about what should happen in the fringe area around the city. The city boundary is two miles away from me. They're talking about controlling what we do two miles into the county, yet we're not going to allow a local community any say in how they define what goes on in their area. If the city of Lethbridge gets their way, my land is now going to be subject to development approval by the city of Lethbridge. I live in the county, yet the county is going to have no say over what I do with my land. Kind of a little bit of a discrepancy here.

I think we've got to start looking at: how do we deal with the sense that the communities should have some input? As I've said already, I truly believe that we have to also make sure that a county doesn't have the option to say: zero; no confined feeding operation. There has to be a blend, where we can give those counties a choice.

I was involved in another one of these appeals this summer. I went and I sat through it and I listened to it. In this particular case, Mr. Speaker, the appellants won the appeal. The confined feeding operation was not allowed. You know what? The very next day I got a call from one of the individuals who was leading the opposition to that feeding operation saying: "Ken, do you think it's okay if we go talk to this farmer? We want to help him because we know where we can put that. We know where we'll support him putting that. We just didn't want it in the area he wanted it." Now, that's community control. That's communities working together, Mr. Speaker.

This does nothing to promote that kind of working together. If we don't give them a chance to develop a reasonable level of community location, definition, community character, all we're going to do is continue to create a situation that leads to more and more of us versus them in a rural community. Mr. Speaker, I get along well with my neighbours. I don't want a situation where it's us versus them. If we've got options, if we've got a planning process that is inclusive but not in any way exclusive to the point

that we can eliminate an option, that's what creates community, because we work together to define that kind of community. That's what's important. That's what's missing in this act.

The environmental approval process that the NRCB is going to be given, Mr. Speaker, is great. I commend the committee for doing this. There are a couple of issues that we need to talk about in that area in terms of how they create standards. We talk about nuisances associated with dust and odour. How do we define those standards? The study that was done in southern Alberta at one point in the last couple of years showed that there were levels of chemicals in the air that were at levels deemed harmful to human health. How do we control those? How do we measure those, and how do we deal with it? Mr. Speaker, if I remember right – you know, I've been up here for four days now – once in a while the wind blows in southern Alberta. Maybe it's going to blow it this way today, and it's going to blow it that way tomorrow. If it doesn't blow, that's when we really get concentration problems, because normally the winds move it out into eastern Alberta and Saskatchewan before we get a chance to smell it. You know, those are the kinds of things that we have to look at: how do we deal with appropriate levels of measurement?

[The Deputy Speaker in the chair]

One of the big concerns that I've heard from a lot of the landowners in connection with some of the manure application guidelines has dealt with: how do we deal with issues that have not yet been fully quantified? The material that I saw presented by the committee when they traveled the province doing their consultation was excellent when it came to showing the impact of livestock waste application and nitrates and nitrogen and the ability of crops to take up that nitrogen as a nutrient in the subsequent growing year. There was really good information there. There was a lot of information about how if we start using that land base as a nitrate sink, where we're actually putting on more than the crop can take up, then we're basically creating a potential water quality threat. I know, because it was talked about at length during the process of dealing with these consultations, that manure applications will be limited now to the uptake ability of the crop in the subsequent year. Great. This is the kind of rule we need.

What do we do with phosphates? There is very little information that talks about what is a harmful level to plants in the soil. Many of our soils in Alberta have exceedingly high levels of some chemicals and still grow crops well; others don't. So we need to make sure that that kind of scientific information is available, and it's through an agency like the NRCB that we'll have the co-ordinated effect and possibilities to basically bring together that kind of information. A local community would never be able to do it one community at a time.

4:00

I guess what we have to also look at is some of the impacts of the heavy metals or the metal compounds that are being applied with these livestock wastes. We're seeing now some areas and some lands in Alberta where very high levels of livestock wastes have been applied over a period of years. The content of some chemicals could be harmful both to the plant or to animals grazing on it in the future. You know, I'm talking here about some of the heavy metals, copper, some of these that basically can create toxicity levels if they're there in too heavy a concentration. The question then comes as: at what point will we be asking farmers to do soil tests, and what standards will we be using to effectively make sure that these concentrations don't end up being in our land at a level that becomes either detrimental to future crop growth or detrimental to livestock

if they're subsequently grazed on it or even potentially a danger to humans if they're associated or in any way use that land in a future activity?

I guess those are kind of the questions that come up in the context of the planning process that's allowed by this act. I would really encourage the government to look at the option of changing the classifications within the Municipal Government Act as opposed to just allowing for this land use plan where you have the agriculture discretionary/nondiscretionary option, because it doesn't provide sufficient control or sufficient input by the local community.

The other issue that I wanted to address kind of briefly is that it doesn't show in wording in the bill, but in some of the background information that was put out with the government's announcement, there is an indication that the Farmers' Advocate will be involved in this process when there's a complaint being raised. Mr. Speaker, I see the Farmers' Advocate sitting in the gallery, and I welcome him here to join us in this debate. Maybe we should all just give him a round of applause, because he does a lot of good work for rural Alberta out there.

The issue that comes up, Mr. Speaker, is that historically I've always perceived the Farmers' Advocate office as basically an office that works as its name describes. It's an advocate for farmers when issues of disagreement arise between them and the community, between them and other business activities, or between them and the government. What we're possibly seeing here, if I put what's in the act together with the news release that came out where it specifically named the Farmers' Advocate as the minister's representative, is a possible crossing of the line by the Farmers' Advocate office in the sense that where the Farmers' Advocate has always been there for the farmers, now all of a sudden if an acreage owner or a business in the community or someone else in that community decides they don't like a confined feeding operation, what they'll do is they'll be directed to the Farmers' Advocate office for first contact resolution, if you want to call it that. It's the first chance to hear that complaint.

So what you've now all of a sudden done is you've put the Farmers' Advocate office over here advocating against an agricultural operation. You know, I know that the intent here is to come up with a mutual solution, but you also have to remember that perception is a big part of how we deal with the issues of confidence that work with our public agencies. Mr. Speaker, I can tell you that on a number of occasions when attending these hearings about intensive livestock operations in the past three or four years, there was always the question raised about: well, where does Alberta Agriculture stand? At the last meeting they were over here with the appellants complaining about an agriculture operation because they were being subpoenaed or being used to support opposition to this agriculture operation. The next day you go to a different meeting and here they are over on the side with the farmer, promoting the intensive livestock operation. So everybody was saying: "How can we trust Alberta Agriculture? One day they're over here fighting against agriculture. The next hearing they're over here fighting for agriculture."

Mr. Speaker, the Farmers' Advocate office does great work for the agriculture industry of this province, and I really express concern that we're going to reduce or in some way influence the public's perception of where that Farmers' Advocate's office has its responsibilities. To me it should be out there advocating for the agriculture community, not supporting individuals or being a voice for individuals who are arguing against the agriculture community of this province. I haven't had a lot of chance to address that issue in terms of getting the Farmers' Advocate's true perspective of how his position will be fixed by that because we've only had the bill in this form for a couple of days and we just haven't been able to

schedule that. But this is my interpretation of it. I would hope that the minister and the Member for Leduc sit down with the Farmers' Advocate office and fully discuss what are the implications of that office being designated as the nuisance contact.

Mr. Speaker, given the way our government is set up and the role of some of the other functions, I think it might be more appropriate in this context for these nuisance complaints to be handled through an agency something like the Ombudsman office rather than an office whose specific mandate is to deal on behalf of the agriculture community in this province. That's an issue that comes up, about how public opinion and public acceptance of this bill are going to work out, so I don't want to see us being in any kind of a situation where we end up with any kind of a lessening of the farmers' confidence in that office.

The other issue that I wanted to deal with was associated with the process a little bit, and maybe I should delay this to the committee stage. But when we're starting to look at the process that's gone through when an application comes out, what we're seeing in here is that with the notification requirements for individuals in the area around an application for a CFO, section 19 of this act makes that notification conditional. In other words, they don't have to notify the affected parties. Mr. Speaker, when you go back to the definition, the affected parties will be defined by a set of conditions given to us in regulations, but I've always assumed that affected parties would be, say, people – landowners, landholders, other businesses, whatever – who are within the potential area of impact as defined by the environmental setbacks that are going to be necessary. Now all of a sudden we've got a law which says, well, maybe we don't have to notify everybody in that area.

I don't think that notification should be conditional. The word "may" should not be in that part of the act; it should be "must." If we are going to be open in this process with the people of the community, especially the affected parties, and if we have proper regulations, we'll be able to clearly determine who is and who is not an affected party. It's not like we have a lot of debate right now about, you know, whether or not I'm an affected party when I'm 50 miles away from it just because I don't happen to have a particular liking for that kind of an operation. Well, I don't think that is reasonable in terms of an affected party, but when we're dealing with specifically notifying individuals who by regulation have been designated as an affected party, I personally and I'm sure most Albertans would not accept a conditional notification as part of this process. I would like to encourage the government to really consider the possibility of making that notification mandatory. Change "may" to "must" in section 19.

4:10

Mr. Speaker, I guess part of what we have to do here in this process is build confidence in this new process, this new approval which is going to be done, in a lot of people's minds, a long ways away from their community. We should make sure that they feel confident about it, and by having "may" in there, it's conceivable that at some point in the future someone may just make a choice and say, "Well, this seems to be quite simple; we won't," and no notification goes out. Yet when it gets to the community level, all of a sudden we have a reaction, and then the confidence in the credibility of this process will be questioned. I don't think we want to have that just for the sheer lack of sending out a couple of letters. I think that the cost of those few letters going out to those people in the community is well worth the effort because it will sustain and will build confidence that this process works, that this process is in the best interest of all Albertans, and that this process will surely create a better Alberta, where agriculture has a chance to flourish

and where the debate and the community divisions that we've seen over the last few years associated with this process can become a thing of the past.

Again, Mr. Speaker, in concluding I want to say thank you very much to the Member for Leduc, and I want him to make sure he expresses that thanks to all the members who served on his committee, to all the people in the communities who had input to it. This is a great start. There are a few fine-tuning things to it that would even make it a better piece of legislation. I think I've addressed a few of those, and as I get a chance, maybe over the weekend, to look at some of the particular clauses in it, I may have some more comments when we get to committee debate. But at this point I would encourage everybody to support this. It's better by far than what we've got right now, but it could be a lot better. It could be a lot more sensitive to the communities, and it could create a really great Alberta.

Thank you, Mr. Speaker.

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

MR. MASON: Thanks very much, Mr. Speaker. I'm pleased to rise to speak as well to Bill 28 and also would express appreciation for the work of the people who worked with the hon. Member for Leduc on this, but I can't stand here like the Leader of the Official Opposition and say that I'm prepared to support the bill.

There are a number of reasons for that, and first and foremost I think one has to look at the underlying motivation for the bill. This bill arose out of some disputes that occurred in different parts of the province over the siting of, in some cases, some very large hog feed operations in which local authorities used their jurisdiction in order to prevent the siting of these plants. We heard the Premier yesterday at his scrum talking about the capacity of Alberta to increase hog operations and that there was room in the province, according to the Premier, for an additional 10 million hogs. We in the New Democrat opposition have to conclude that whatever other positive benefits in terms of uniformity this bill may bring, the underlying motivation for it is to ensure that local authorities cannot hold up the development of large-scale livestock operations, particularly with respect to pig operations.

So we looked quite carefully at the bill and what it contains, and we think that it's a serious matter. If the Premier is sincere about wanting to increase hog production to the point that we have 10 million more hogs, which is I think a three- or four-fold increase in the number we now have, then that could have very serious ramifications not only for the environment of the province but for the quality of life of people in rural areas and in many towns and, indeed, cities around the province.

One of the biggest threats – and I quoted this when we debated the hon. Member for Lacombe-Stettler's motion last time. We drew attention in the House to the numerous examples of contamination of groundwater by these large-scale farms, not all of them, in the United States. There were many examples cited in the report that I referred to in my comments at that time.

Groundwater in this province is probably our most threatened natural resource. When we're touring the province, we run into stories from people from all walks of life, but quite often from people who are involved in farming, about contamination of groundwater, depletion of groundwater by drought, contamination through the activities of the oil and gas industry, and also contamination due to unregulated agricultural activities. We happen to believe that as an environmental threat, the threat to Alberta's groundwater is probably one of the most profound problems that will

be facing this province in the next 10 years, particularly if we see a continuation of drought conditions in the southern part of the province.

So we're concerned when the Premier says that he wants to introduce up to 10 million additional hogs into the agricultural industry of this province. We think that this act is designed first and foremost in order to facilitate that occurring.

Now, I want to talk a little bit about local jurisdiction, because it's interesting in the Klapstein report, which I have here, that when people were asked about the approval process, they favoured for the siting of these operations, ILOs – now they're CFOs, CIAs, KGBs. I don't know what they are. They're not NDPs; we know that. Thirty-eight of the respondents surveyed supported local permitting of these operations with provincial standards in place, and only seven of those responding to the committee supported provincial approval as being the most desirable way to handle applications to introduce these.

So we see a strong role for the provincial government in regulating environmental standards for these livestock operations, and that is not incompatible with local control over permitting and maintaining local independence when it comes to land use planning. I'll come back to that a little bit later, because I think that that independence is not taken away explicitly but is curtailed by implication in this act. So local permitting is not something that I think most people object to.

4:20

What's got to happen, in our view, is that there need to be very strong environmental regulations and requirements that have to be met and that the information must be provided and that the province needs to make sure that standardized information is provided to local authorities in order for them to make their judgment. If you can provide a high level of information and standardized information, you will go a long way towards helping local authorities make more or less uniform decisions which still reflect the rights of citizens in their community to say no to an intensive livestock operation if they believe that it will compromise their local environment or the quality of their life.

I don't believe that bureaucrats in Ottawa . . . Ottawa? This is Edmonton. I don't believe that bureaucrats here any more than in Ottawa . . . [interjections] I'm just trying to use your arguments, I guess. I don't believe that bureaucrats here in Edmonton are in the best position to determine for people in different parts of Alberta, whether it's southern Alberta or eastern Alberta or northern Alberta, whether or not the kind of large-scale industrial operation that is now becoming more common is right for them. That is something that we believe very strongly belongs to the locally elected people and locally responsible people in their community to make the decision on what's good for them. It shouldn't be up to bureaucrats from whatever board or whatever department to make those kinds of judgments for the local people. There's nothing incompatible, Mr. Speaker, between having strong provincial regulations, strong provincial standards, strong provincial protection of the environment and maintaining local control over the final decision on whether or not a particular operation should be sited.

Now, I want to come to land use. The act retains the ability of local municipalities to do their own land use planning, and that's as it should be. But there's a clear implication that there's a negative option here that's implied in the legislation, and that is that the municipality must define places where these operations will not be allowed, and clearly they'll not be allowed to make that on a blanket basis. So instead of saying, "We're going to plan for intensive livestock operations in this particular part of our county, and we think that this is an appropriate place to deal with them," they have

to say, "These are the places they can't go," and then anybody that wants to put one in is allowed to go anywhere else in the county that's not specifically designated as off-limits. Clearly, there's an implied suggestion here that any county that tries to put too many areas off-limits will run afoul of the provincial government, and they won't be allowed to make use of that to protect themselves from this.

There are some specific things that I want to deal with. I appreciated that the Deputy Premier and minister of agriculture yesterday indicated to the Assembly that we would be allowed to see the draft regulations, because as is all too common, much of the devil is in the details, and the details are in the regulations. So we appreciate that fact, but I would argue strongly, Mr. Speaker, that we need to see those draft regulations before we get to committee stage on this bill. How else will we be able to judge which amendments might be appropriate for the act if we don't see what's going to be in the regulations? There may be things in the regulations that we strongly disagree with and therefore would like to see enshrined actually in the act itself and not left to the regulations. We can't make that judgment here until we have the draft regulations. So I would urge the government and urge the Deputy Premier and minister of agriculture to bring forward those draft regulations before the bill leaves the committee stage.

I've received a letter from some farmers in Hughenden, and they have some interesting comments about the current state of protection for the environment and the community with respect to large-scale operations. They're talking about the codes of practice, and I'll just quote here.

Although lip service is given in the text to the possibility of considering phosphorus as a limiting nutrient in manure, the land base tables continued to be based, not only on nitrogen, but on crop available nitrogen only. This is the nitrogen available to crops in the first year only from the breakdown of manure and represents about 1/3 of total nitrogen in manure for beef cattle and 1/2 in liquid hog manure. Thus the land base needs to be 2 to 3 times greater for sustainable nitrogen application only. When one considers phosphorus utilization (and countries who are more advanced in ILO development have eventually chosen this as their standard), the land base needs to be 6 to 7 [times] greater than the Code's tables for sustainable manure application.

Another point that they make which I think is really important is that "there is no consideration given to the cumulative effects of ILO developments." Another point which I think is very interesting:

The engineering standards for earthen manure storage are completely inadequate . . . these structures can hold millions of gallons of untreated manure – lagoons for treated human waste require a 1" thick engineering protocol, Design and Construction of Liners for Municipal Wastewater Stabilization Ponds, prepared by Alberta Environment.

What we have is a situation of very, very, very large lagoons of untreated liquid hog manure that don't even have the same design standards as those required for municipalities for treated human waste.

So, clearly, we have a long way to go in ensuring the protection of our environment from the hundreds of thousands and perhaps millions of tonnes of manure that are going to be produced in this province if the government's policy proceeds as proposed. Mr. Speaker, I think there's a long way to go and many things that have to be done before we in our place here will be satisfied with the government's policy with respect to intensive livestock operations and satisfied with the bill that's before us.

There are a couple of other points I'd like to just make, Mr. Speaker. I think that the definition of an affected person needs to be defined in the legislation. Someone who's affected may not actually be entitled to have standing before the board in an appeal, so we

think that that's a very, very important definition that needs to be set out in the legislation.

Mr. Speaker, just to conclude my comments, I believe there are some positive elements to this bill. I think the establishment of some uniformity across the province is a desirable thing, but it does not have to come at the expense of local autonomy. It's entirely possible for very strong and very uniform standards to be established by the provincial government, yet the permitting can remain in the control of the local people, who are most affected by those decisions. That's the fundamental flaw with the bill. It's not the fundamental flaw with the government's policy of encouraging very large-scale developments and very large increases in the hog population of Alberta, which is going to have impacts that I think the government doesn't yet foresee, but there is no reason, in our view, to take away that local autonomy over permitting or, indeed, to require local authorities in their land use planning to essentially use negative option zoning for the siting of these plants.

I just make a comment that the last few times I have driven down to Calgary – and I don't know if other members have had the same experience – just north of Red Deer there is a very, very bad smell. It's on highway 2, and I made some inquiries about it, Mr. Speaker. I've been traveling between Calgary and Edmonton my entire life by car, and I almost went into the ditch, as a matter of fact, the first time I smelled it. It was terrible. It was pretty bad. [interjections] You know, the members might find it humorous, but the fact of the matter is that if you live there, it's pretty bad.

4:30

What happens when the government policy takes its final effect and we have this massive increase in intensive hog operations in the province? There'll be large parts of the province that will smell like that, and I can tell you that the people will recognize that the smell goes far beyond just the livestock operations, that it extends as well to a government that puts the hog industry ahead of the quality of life of the people of Alberta throughout the province, Mr. Speaker. So you can take it as lightheartedly as you want, but it in fact is going to be a very, very serious problem for all of the members of this Assembly to deal with over the coming years as these operations multiply and as the provincial government does away with local autonomy in order to facilitate their development. The people will know where the smell is coming from.

Thank you.

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

MR. BONNER: Thank you very much, Mr. Speaker. I rise this afternoon to speak to Bill 28, the Agricultural Operation Practices Amendment Act, 2001. I welcome the opportunity to make a few comments on this particular subject, and I would like to start by thanking the Member for Leduc, who did do extensive consultations and extensive work in bringing this particular amendment act to the Agricultural Operation Practices Act forward. I have been most impressed by all speakers this afternoon and what they see in the act as strengths and some of the shortcomings of the act. I would have to say that I certainly would in the end be supporting this. I think it's going to take us to a position that we require in this province.

I also have had the opportunity on numerous occasions to listen to the Leader of the Official Opposition, the hon. Member for Lethbridge-East, who I think, when it comes to agriculture, is considered one of the leading people not only in this province but in the entire country. So we've certainly benefited as a caucus from his wise counsel, and that is certainly one of the benefits that we have had and I do enjoy.

When we are dealing with these confined feeding operations, there

are some things, and one of the concerns brought up was how this will impact our municipalities and how the control for allowing these in municipalities is going to be taken away from the municipalities. This certainly seems to fly in the opposite direction of comments made in this House by the Minister of Municipal Affairs when he announced that he is looking at a new format, a future where there will be stronger partnerships between provincial and municipal governments. So to take that control away from our municipalities and place it under provincial jurisdiction certainly is something that I think we have to address in this act, particularly when you think, Mr. Speaker, that this act could come into effect in 47 days, on January 1, 2002.

Now, there are certain conditions that do support intensive livestock operations, or confined feeding operations, as we now are calling them. I had the opportunity approximately a year ago to tour Feedlot Alley in southern Alberta. As part of that tour I had the opportunity to discuss these operations with a number of owners, and these are owners, Mr. Speaker, that I would certainly call responsible. They were owners that certainly realized the impact of their decisions. What impressed me most about their decisions was that if they didn't adhere to strong environmental conditions, then the effects of those decisions would shut down their operation.

One of the other things that impressed me on that tour is why that particular location has so many intensive livestock operations in it. Of course, one reason is the type of soil that we have down in that particular region. What we have there is a clay base, a clay base that is quite thick, and we all know that clay, certainly because of the very fine texture of it, is a soil that will compact. The more it compacts, the less permeable it is to water. What it does is it allows these intensive livestock operations to actually sculpture the land so that they can control any runoff that occurs on that property, so they are able to collect all the waste. As well, it gives them the opportunity, for example, if it is a cattle operation, to keep those pens extremely clean. So from that perspective I'm not concerned.

A second perspective that I was very impressed with in these operations is the amount of research they have done in order to test different types of food, different types of feed that these animals will use, and in doing that, they also looked at the amount of manure that would be produced and not only the amount of manure that could be produced but the different quantities of land that they would require in order to be able to spread this manure to grow their feed and whatever. So certainly a tremendous, tremendous responsible operation.

We have to remember that some of these have an extremely huge impact on the particular neighbourhood that they're in. We toured one particular lot, and this person had three lots which were capable of holding 25,000 head of cattle. If we think that each one of those animals is worth somewhere in the neighbourhood of \$1,000, we are looking at an operation of \$25 million worth of stock in those particular pens. It is a huge impact and particularly a huge impact if it is not governed properly. So what we have here with the responsible owners was a system where certainly the manure waste was reused as fertilizer to grow their feed, and this production was very, very responsible.

Now, then, the other thing that I like about this particular bill is that for once we are getting standard regulations throughout the province, and there has been a great need for these since the 1980s. As well, when we look at the need for these, it was outlined very, very specifically, Mr. Speaker, with a letter that I tabled in the House two days ago. It was from Barry and Lana Love, and they reside in the county of Flagstaff. What they wrote in their letter was that they felt "the need to strongly urge you not to take the ILO sitting out of the hands of local Municipalities and Counties." Again,

when I look at this bill, I certainly see this as one of the weaknesses and one of the few weaknesses of this bill in the fact that the decisions that impact these people are not going to be made at a local level and not by people who are familiar with that particular region.

4:40

As well, we heard the hon. Member for Lethbridge-East talk earlier of how even though he is outside the city of Lethbridge – he's two miles away – they wish to make regulations which will affect people outside of the county on intensive livestock operations. So again certainly a concern.

I see in the bill, when we look in here at section 5(1)(b), that we'll appoint 3 persons as an agricultural practice review committee to consider the application or referral, 2 of whom must have experience in the type of farming operation to which the application or referral relates.

It is the Farmers' Advocate who will establish the agricultural practice review committee. Again, there is no guarantee that this person will be familiar with what is happening in that particular municipality. Certainly I think that over time the concern is, as well, that as this process gets entrenched, there will be less and less monitoring of local conditions.

Now, then, as well, when I look into this particular bill, it certainly does recognize the need that across this province we do have to have standards. It does recognize that need. However, Mr. Speaker, the standards that need to be developed by the province should not only be based on scientifically sound research that assesses the unique environmental characteristics of Alberta, but they must be applied and evaluated by staff with technical and professional expertise, enabling sound, objective planning decisions at the local level. Certainly in the feedlots that I visited, some of this was taking place. In fact, in all of them it was taking place. These people were very, very concerned about water quality, and they did have processes set up so they could test their water quality and to make sure that there hadn't been leakage into the water table. Again, as the hon. Member for Edmonton-Highlands has indicated, our water in this province is a great resource, one of our greatest, and certainly one, if conditions as they have been in recent years continue, that is going to become more and more valuable. Certainly the last thing we would want to do there is to pollute that.

[The Speaker in the chair]

Now, as well, another issue that was raised here today was certainly the density of ILOs. Again, these confined feeding operations, as we said, can hold a tremendous number of animals in a very, very small space. Certainly people in municipalities should have some control over the number of those that would occur in any given area. As I have read through this – and I have to be quite honest; I have not had the opportunity to delve into this in great detail – that certainly is an issue that I think I would like to see addressed, if not in the bill then certainly in the regulations. I look forward to looking at the draft regulations when they are available.

With that, Mr. Speaker, I think that pretty well completes my comments on this particular bill at this time. I do look forward to the comments that other hon. members have in relation to this bill. It not only has a tremendous impact on our communities but on the economics of this province and certainly has a great potential to develop the agriculture industry in this province even more. So with those comments I will cede the floor to other members.

Thank you.

THE SPEAKER: The hon. Member for Wainwright.

MR. FISCHER: Thank you, Mr. Speaker. I would like to just make a few remarks about Bill 28. First, I want to compliment our member who has worked so hard to try and put together a bill that would be a balance, if you like, or a reasonable way of deciding whether or not intensive or confined feeding operations should go ahead. This has not been easy. We have had committees in the past for a number of years now going across the province planning and making recommendations, and of course it certainly is tough to arrive at the proper balance.

I wanted to say that the constituents in the Wainwright constituency are certainly looking forward to this bill, and we have had in the past some very bitter disputes over confined feeding operations. If you ever get into the middle and see what happens to the people and to the towns and the hard feelings that come out of it, it's a lifetime of disagreement between families, sometimes between neighbours, and it does do a lot of harm to the communities.

We do look forward to it for a number of reasons, but one of them is that there's got to be a higher comfort level that we are protecting our environment. I truly believe that we've done a good job in this province in the past, and I know that we work hard at protecting our water and have been successful at it. We need to be able to portray that comfort to the people that are going to have these livestock operations somewhere in their constituency, and this bill is going to help give that comfort level that is needed.

I wanted to say a couple of things about local autonomy. I know that's always a bone of contention, whether you give it to the local folks or you give it to the conservation board. I have my reservations about this particular one myself, but after going through some of the disputes and after seeing what happens, what's written down on paper doesn't always happen out there in the real world. The fact remains that if we're not prepared to give and take and have some balance so someone else can make a living, you're going to have lots of disputes. I've seen that when you get a lot more acreage owners in a county or an MD, then the vote is certainly not to have any.

Now, that really impacts some poor person that might be 25 miles from no one, but he's in that county. It restricts his farming practices altogether. We have to address that, and I believe that by having the local autonomy taken away – and when we say “taken away,” they have an opportunity, the public has an opportunity for input, and the municipal governments have another level of opportunity to get in there and get their say-so in. I have to say that between the two of them there's got to be pretty heavy influence on the decision-makers.

4:50

Probably the biggest benefit – and it might be a future benefit. The opportunity is there now for the municipal governments to get busy and do a development plan and do their zoning and properly identify which lands they would like to have with farming practices and which ones they want for residential. I think this will force a lot more of that, and when you say that local autonomy is taken away, that whole thing is full autonomy for the local people to do that. I see that coming along as a big benefit. I know that's very hard to do, because when you first begin, it has got to be a gradual thing, because as soon as you start declaring some lands as good for agriculture, you could impact somebody that doesn't believe that. Yes, if you zone a residential area in an agricultural area, you're going to interfere with somebody's business, but the reality is that the long term has to be planned better, and then some of these problems will go away.

So I just want to thank again our Member for Leduc for bringing it forward, and I look forward to it. The sooner the better. Thank you.

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

DR. MASSEY: Thank you, Mr. Speaker. I appreciate the opportunity to make a few comments at second reading on Bill 28, the Agricultural Operation Practices Amendment Act, 2001. There are, I suspect, a lot of Albertans affected by this act. We have a summer cottage west of the city, and it is only in the last couple of summers that odours from a confined livestock feeding operation have started to impact the enjoyment of that property. It came as a bit of a surprise, because we're fairly isolated. So it's a bill that I think a number of people, both urban and rural, will be interested in.

It's a difficult task because of the kinds of competing interests that it seeks to compromise and to bring together, with the interests of the operators and the interests of neighbours and environmental concerns. They are groups and individuals who have strong feelings about the operations and strong interests. A lot of those interests are financial interests that are affected by those operations.

It seems to me that the bill is based on some fairly sound principles, and the first of those, I guess, is that aggrieved owners have recourse to a process where they can have grievances, if it's a disturbance that they're concerned about, dealt with in a systematic and fair way. It's usually letters about those disturbances that we receive, people concerned about noise or odours or other impacts from operations. So the principle that there has to be a process in place is one that underlines part of the act and, I think, is dealt with in a way that should make people feel that they have recourse should they have a complaint.

The second principle that the act tries to deal with – and it's the most contentious in the act – is the need for affected people to be informed and to be part of the decision-making. Here's where the bill gets into the to and fro between local control and provincial control, and there's a legitimate argument on both sides. You can argue strongly that local authorities should be the ones making the decisions about operations that are going to take place in their jurisdiction. But I think you can also argue – and this is the side the government has come down on in this piece of legislation – that there is a broader interest, that what goes on in a particular area has the potential of affecting the entire province, so there's a strong provincial interest that goes on, and the crafters of the legislation, the government, has come down on the side of provincial interests.

I know that that's a source of contention, and there is a great deal of heat being generated around that whole issue, and rightfully so, because I think that in the end it'll lead to a better understanding and will lead to some action on the part of some jurisdictions, as the previous speaker has indicated, in terms of development plans and making sure that those plans are completed and in place.

I think a third principle that sits behind the legislation is that there has to be a process that will help resolve conflicts between urban and rural, nonfarmers and producers. I went to the government web site. The purpose of the bill, according to the government web site, is to provide an institutional framework for the resolving of conflicts between agriculture producers and urban/rural nonfarmers. In fact, I thought I might find more on the web site than what's there right now, Mr. Speaker, and I assume that it will be updated. I note that the mover of the bill had an interview that is not yet on the web site and accessible, and I hope that that might be included by the government. A major part and a major principle underneath the bill is that there has to be a process to resolve those conflicts, and that's closely related to the first principle that I had outlined.

Again, I go back to the difficulty. The crafters of the legislation have had a difficult time, and there have been a number of reviews. As was mentioned, since the mid-80s there's been concern in the province, and there have been a number of reports that have been considered. This is the culmination of those reports. It has been difficult, and it's not going to make everyone happy. That's a given

when you have the strong feelings that surround this issue.

I look forward to moving to the committee stage of legislation when we'll have an opportunity to debate the individual sections of the report. With those comments, Mr. Speaker, I'd like to conclude.

Thank you.

THE SPEAKER: The hon. Minister of Infrastructure.

MR. LUND: Thank you, Mr. Speaker. [interjections] It's going to be short. Save it for next time.

It gives me a great deal of pleasure to have this opportunity to speak to this bill. First of all, I want to thank all of the committees that worked over the last two to three years on this very important issue. As you know, a committee traveled the province, and then there was another committee that traveled the province and reported back with very, very useful information. Actually, quite a good report, but it was a little short in a couple of areas, and that was the whole issue about the approval process and what to do about the existing operations that some people were having some discomfort with. So the hon. Member for Leduc chaired a committee made up of other MLAs who once again went out and took input on those issues and came back with a very fine report, so we've been able to come forward, then, with this legislation. I want to take the opportunity to thank all those people that participated, particularly the most recent committee, who did a very, very fine job of bringing this to the point where we can now talk about a bill.

5:00

It's very encouraging when we hear the Official Opposition speaking in favour of the bill. I think that they will be able to add some value to it. It is discouraging, though, to hear the third party speak against the bill, and of course it would be one of my objectives, speaking to the bill, to help convince them that, yeah, this is a good bill and that they should support it. Unfortunately, Mr. Speaker, they are not within hearing distance of me today.

I would at this point, then, adjourn debate. Hopefully we'll be able to carry on later.

[Motion to adjourn debate carried]

head: Government Bills and Orders

head: Third Reading

(continued)

Bill 18

Health Professions Amendment Act, 2001

THE SPEAKER: The hon. Minister of Health and Wellness.

MR. MAR: Thank you, Mr. Speaker. I have taken the opportunity to review *Hansard* and noted the comments made by individuals. I thank hon. members for their comments to this bill and its speedy passage and hereby move third reading of this bill.

DR. TAFT: I will keep my comments brief, Mr. Speaker. I have to do something for applause here. We will be, as I've indicated throughout, supporting this bill. I just want to get on the record that, of course, as I suppose with all legislation, there are voices of concern. There are people who are concerned about the implementation of some aspects of the bill, and there are concerns about providing and ensuring that there are sufficient resources available to the various professional organizations to ensure that disciplinary procedures can be handled in an expeditious and fair manner. Those kinds of concerns I'm sure the minister will turn his attention to in due course and resolve. We have no desire to hold this up, so with those comments I'll take my seat.

Thank you.

[Motion carried; Bill 18 read a third time]

THE SPEAKER: The hon. Deputy Government House Leader.

MR. STEVENS: Thank you, Mr. Speaker. I move that we call it 5:30 and adjourn until Monday, November 19, 2001, at 1:30 in the afternoon.

[Motion carried; at 5:04 p.m. the Assembly adjourned to Monday at 1:30 p.m.]

