



Legislative Assembly of Alberta

The 28th Legislature
Second Session

Standing Committee
on
Alberta's Economic Future

High-speed Rail

Tuesday, May 6, 2014
6:18 p.m.

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Second Session**

Standing Committee on Alberta's Economic Future

Amery, Moe, Calgary-East (PC), Chair
Fox, Rodney M., Lacombe-Ponoka (W), Deputy Chair

Bikman, Gary, Cardston-Taber-Warner (W)*
Dorward, David C., Edmonton-Gold Bar (PC)
Eggen, David, Edmonton-Calder (ND)
Hehr, Kent, Calgary-Buffalo (AL)
Johnson, Linda, Calgary-Glenmore (PC)**
Kubinec, Maureen, Barrhead-Morinville-Westlock (PC)
Lemke, Ken, Stony Plain (PC)
Luan, Jason, Calgary-Hawkwood (PC)
McDonald, Everett, Grande Prairie-Smoky (PC)
Pastoor, Bridget Brennan, Lethbridge-East (PC)
Quadri, Sohail, Edmonton-Mill Woods (PC)
Rogers, George, Leduc-Beaumont (PC)
Rowe, Bruce, Olds-Didsbury-Three Hills (W)
Sarich, Janice, Edmonton-Decore (PC)
Stier, Pat, Livingstone-Macleod (W)

* substitution for Rod Fox
** substitution for Bridget Pastoor

Also in Attendance

Kang, Darshan S., Calgary-McCall (AL)
Kennedy-Glans, Donna, QC, Calgary-Varsity (Ind)

Support Staff

W.J. David McNeil	Clerk
Robert H. Reynolds, QC	Law Clerk/Director of Interparliamentary Relations
Shannon Dean	Senior Parliamentary Counsel/ Director of House Services
Philip Massolin	Manager of Research Services
Stephanie LeBlanc	Legal Research Officer
Sarah Leonard	Legal Research Officer
Nancy Zhang	Legislative Research Officer
Nancy Robert	Research Officer
Corinne Dacyshyn	Committee Clerk
Jody Rempel	Committee Clerk
Karen Sawchuk	Committee Clerk
Christopher Tyrell	Committee Clerk
Rhonda Sorensen	Manager of Corporate Communications and Broadcast Services
Jeanette Dotimas	Communications Consultant
Tracey Sales	Communications Consultant
Janet Schwegel	Managing Editor of <i>Alberta Hansard</i>

6:18 p.m.

Tuesday, May 6, 2014

[Mr. Amery in the chair]

The Chair: Good evening, ladies and gentlemen. I would like to call this meeting to order and ask that members and those joining the committee at the table introduce themselves for the record. If you are substituting for a committee member, please note this as well during your introduction.

I will start. I'm Moe Amery, MLA for this committee – MLA for Calgary-East and chair of this committee.

Mr. Bikman: That's not a hard act to follow. Gary Bikman, substituting for Rod Fox. I'm the MLA for Cardston-Taber-Warner.

Mr. Quadri: Sohail Quadri, Edmonton-Mill Woods.

Ms Kennedy-Glans: Donna Kennedy-Glans, Calgary-Varsity.

Mr. Dorward: David Dorward, MLA for Edmonton-Gold Bar.

Ms Kubinec: Maureen Kubinec, MLA for Barrhead-Morinville-Westlock.

Mr. McDonald: Everett McDonald, Grande Prairie-Smoky.

Mr. Luan: Jason Luan, Calgary-Hawkwood.

Mr. Eggen: Good afternoon. My name is David Eggen. I'm the MLA for Edmonton-Calder.

Mr. Stier: Pat Stier, MLA, Livingstone-Macleod.

Mr. Rowe: Bruce Rowe, Olds-Didsbury-Three Hills.

Mrs. Sarich: Good evening. Janice Sarich, MLA, Edmonton-Decore.

Ms Sorensen: Rhonda Sorensen, manager of corporate communications and broadcast services for the LAO.

Ms Robert: Good evening. Nancy Robert, research officer.

Dr. Massolin: Good evening. Philip Massolin, manager of research services.

Mrs. Sawchuk: Karen Sawchuk, committee clerk.

Mr. Rogers: George Rogers, MLA, Leduc-Beaumont.

Ms L. Johnson: Linda Johnson, Calgary-Glenmore. I'm substituting for MLA Pastoor.

Mr. Kang: Darshan Kang, Calgary-McCall. I'm substituting for Mr. Kent Hehr. It was kind of last minute.

The Chair: Okay. Thank you all very much.

Ladies and gentlemen, the meeting materials were posted to the internal committee website late last week.

Just before we start, a few housekeeping items to address. The microphone consoles are operated by the *Hansard* staff, and please keep cellphones, iPhones, BlackBerry's off the table as these may interfere with the audiofeed.

The second item on the agenda is the approval of the agenda. Can I have a motion to approve the agenda, please? Mrs. Sarich moved that the agenda for the May 6, 2014, meeting of the Standing Committee on Alberta's Economic Future be adopted as circulated. All in favour? Opposed? Carried. Thank you.

The third item on the agenda is the approval of the meeting

minutes. We have, actually, six sets of minutes for the last six meetings that we had, so I will call for a separate motion for each of the sets of minutes.

Mr. Rogers: I'll move the minutes of the January 29 meeting, Mr. Chairman, as circulated.

The Chair: Okay. All in favour? Opposed? Carried.

The second set of minutes is for the February 4, 2014, meeting. Can I have a mover, please?

Mr. Rogers: I'll move those as well, Mr. Chairman.

The Chair: Mr. Rogers. All in favour? Opposed? Okay.

I need a mover for the minutes of the February 5, 2014, meeting. Mr. Quadri. All in favour? Opposed? Carried.

I need a mover for the February 24, 2014, meeting. Mr. Luan. All in favour? Opposed? Carried.

I need a mover for the minutes of the February 25, 2014, meeting. Mr. Rowe. All in favour? Opposed? Carried.

One more for the minutes of the February 26, 2014, meeting. Mr. Stier. All in favour? Opposed? Carried. Good.

Number 4 on the agenda: review of public submissions and decision on posting to external committee website. Colleagues, the committee must decide on the posting of written submissions from the public to the external committee website to permit public access to these submissions. This has been done previously with written submissions made to legislative policy committees as well as the policy field committees. The committee's advertisement on the public input meetings also invited written submissions and stated: please assume that submissions to the committee, including the identity of the author, will be made available to the public. It should be noted, though, that for individuals only personal identifying information such as e-mail addresses, street addresses, and phone numbers are removed, but the name of the author of the submission remains.

Would a member move this motion? Mrs. Sarich.

And now I will open the floor for discussion. Any questions, any discussion on this motion?

Seeing none, all in favour? Opposed? Carried.

Item 5 on the agenda: summary of submissions and proposed recommendations on high-speed rail in Alberta. I would ask that Ms Robert from the committee's research branch address the submissions and proposed recommendations summary document, which highlights the issues put forward by stakeholders as well as by the public during our public input meetings.

Ms Robert, please go ahead.

Ms Robert: Thanks, Mr. Chair. Okay. I'm going to just give you a little bit of an overview of the report because it's quite large, and I'm hoping it'll help you identify the different areas. The report is a summary of the submissions and the presentations made by stakeholders and members of the public. It's divided into three sections. There's an executive summary at the beginning, which includes proposed recommendations and suggested areas of focus identified by stakeholders. The big chunk in the middle, sections 2 to 6, contains the comments and the opinions that inform the recommendations made by stakeholders. Section 8 is a high-level summary of the comments made by members of the public during public input meetings and in written submissions.

6:25

Please note that sections 7 and 9 contain lists of the names of stakeholders and members of the public who made presentations to the committee or who provided written submissions. The

stakeholders are identified throughout the document by abbreviations, and those abbreviations are listed, for the most part, the first time that the stakeholders are introduced in the document, and they're also listed in sections 7 to 9 in the lists of the names of the stakeholders and members of the public.

The comments and recommendations made by stakeholders are organized under three categories, and those categories are: high-speed rail, or HSR, is feasible; HSR is not currently feasible; and HSR might be feasible in the future under certain conditions.

The stakeholders who contended that HSR is feasible made comments and recommendations related to the economics and finances of HSR, indicating that the population and traffic levels along the Edmonton-Calgary corridor are sufficient to support enough ridership on HSR to earn enough revenue for the system to operate without subsidies. These stakeholders estimated that an HSR system would generate approximately \$20 billion in overall economic benefits. They also suggested that if the government were to provide 100 per cent of the capital funding for such a project, that investment would be repaid in 25 to 34 years, depending on the HSR technology chosen.

The support by these stakeholders is based on the selection of HSR technology capable of travelling at a speed of 200 kilometres an hour or faster and on a greenfield alignment, not on the CP alignment. These stakeholders indicated that according to forecasts the ridership will grow substantially over the next 30 years, further supporting the ridership levels anticipated for HSR.

The stakeholders who purported that HSR is feasible made some recommendations. Those recommendations are that Alberta should build an HSR system using 200 kilometres an hour or faster technology on a greenfield alignment and that an HSR system should have good connectivity with LRT, or light rail transit, and the Calgary and Edmonton airports. They made other recommendations with respect to not having at-grade crossings and environmental issues and things like that.

The next group were stakeholders who believe that HSR is not currently feasible. They focused their comments mainly on the economics and finances of HSR, indicating that successful HSR systems around the world exist in areas with very large populations, normally at least 8 million to 10 million people, with significant traffic congestion problems, and that those congestion problems are usually air traffic congestion problems, not road traffic congestion problems. These stakeholders suggested that there is not a sufficient population nor is there sufficient traffic in the corridor to attract the necessary ridership for HSR to earn a profit and that there likely would not be a large enough population for several decades. Stakeholders who do not believe HSR is currently feasible commented that ridership estimates should not be relied on as they are often overstated and do not yield the ridership that they forecast.

These stakeholders also suggested that cost estimates to build HSR are often underestimated. Finally, these stakeholders contended that an HSR system would not be able to function solely as a commercial enterprise and would require public funding to build and public subsidies to operate. Stakeholders who do not believe that an HSR system is feasible recommend that Alberta should not build an HSR system; instead, invest money into urban transportation networks to address congestion issues in Edmonton and Calgary.

The third group of stakeholders in this document are stakeholders that believe that an HSR system may be feasible in the future. These stakeholders argue that an HSR system would not be successful unless the urban transit systems in Edmonton and Calgary are fully developed first. These stakeholders believe that the government should establish transportation infrastructure

priorities and that the top priority should be the completion of LRT in Edmonton and Calgary. Some stakeholders believe that HSR could be built after LRT systems are completely developed, while others contend that after LRT the next priority should be establishing or completing regional transportation networks, like regional rail, after which HSR may be feasible.

Proponents of building an HSR system possibly sometime in the future recommended that the government set transportation priorities. The priorities should be LRT, then regional rail, then HSR. Those same stakeholders urged the government to identify a route for transportation and utility corridors throughout the province. These corridors, or TUCs, as they're known, should include room for HSR, utilities, pipelines, and additional highway lanes. Identifying this route is an important planning mechanism for meeting the transportation infrastructure needs in the future and would give landowners and municipalities affected by the location of the TUCs some land-use planning certainty and the ability to plan accordingly.

That's a basic overview of the document. If you have any questions, I'd be happy to try and answer them.

The Chair: Well, thank you, Ms Robert.

Before we open the floor to questions, I'd like to ask Mr. Lemke to introduce himself for the record, please.

Mr. Lemke: Ken Lemke, MLA, Stony Plain. Thank you, Chair.

The Chair: Great. Thank you.
Any questions?

Mr. Luan: So we've gone through all of those presentations, and I'm glad to hear that our wonderful staff has summarized them into three groups. My curiosity, Chair, is: do you expect the committee at some point to vote to decide which of those three we're going to be favouring or recommending? What's the next step?

The Chair: You're just a little ahead of the agenda. We're coming to that right away.

Mr. Luan: Essentially, we're going to do that?

The Chair: In the next few minutes we will be talking about that. You're just ahead of yourself and most of us.

Mr. Luan: We're on high speed.

The Chair: Right. A high-speed train.

Any other questions?

Good. Well, thank you very much, Ms Robert.

Item 6 on the agenda is deliberations and drafting the final report. Before we examine all the information we have received, I would like to take a moment to discuss a strategy for completing our report by the May 25 deadline. In order to prepare our report in a timely manner, I would suggest that the work of drafting a report be delegated to the working group, similar to the process utilized during our review of the BRIC program.

If we decide to go this route, the working group will by necessity have to meet within the next few days to consider the information received and provide committee research staff with instructions for drafting a report based on our discussions here today. Working group members are encouraged to discuss the issues with their respective caucuses prior to the working group meeting.

The draft final report will be brought to the committee for its review at our next meeting, on May 16, and any revisions directed

by the committee will be incorporated into the final report for adoption by the committee at its May 21 meeting.

Any questions on these suggestions?

Mrs. Sarich: Are you asking about the process or just in general regarding the final draft report or the summary that we're looking at?

6:35

The Chair: I'm asking the committee to delegate the drafting of the final report to the working group. The working group consists of four members plus myself. We have Mr. Eggen representing the NDP caucus, Mr. Hehr representing the Liberal caucus, the deputy chair representing the Wildrose caucus, Jason Luan from our caucus, and myself. We did the same thing with the BRIK program. The committee delegated the authority to the working group to oversee the drafting of the initial report. We will bring it back here on May 16 for discussion with the whole committee and to receive suggestions from the committee. Then if there is any change at that time, we will bring it back to the committee at our meeting on May 21.

Mrs. Sarich: Mr. Chair, I don't have any problem with what you're proposing, but could I offer just a small consideration for the referencing in terms of the document itself?

The Chair: Of course.

Mrs. Sarich: I had a brief sidebar discussion about the formatting. I appreciate that section 7 is the list of the stakeholder presentations by organization, presenter, and date of presentation. This basically starts on page 30 of the current draft document. I'm just wondering about ease of reading. It requires a lot of flipping back and forth. For some people that could be a natural process, but for others that maybe are familiar with preparation of higher levels of reports, the initial reference before an acronym is given in the report. For example, high-speed rail would be spelled out the first time, and then we would understand that HSR is high-speed rail.

There is a reference to Dr. Siemiatycki on page 30, associating him with the University of Toronto department of geography and program in planning, and it says Siemiatycki. He does hold a PhD, so I'm wondering if even that reference should signify that. I did notice in that example that I just mentioned that he hadn't been appropriately cited. So just like AAMD and C or AUMA, that first citation could be the longer version and then the acronym so that it would be easier for Albertans to read rather than flipping back and forth to that reference section for consideration.

The Chair: Well, Dr. Phil motioned to me that he would like to say something.

Dr. Massolin: Yes. Thank you, Mr. Chair, and thank you, Mrs. Sarich, for those suggestions. I think we'll take those, certainly, for the next time we do a submissions summary, but I think the final report will simply use as much as possible the full names of the stakeholders and the presenters. For the most part the language used will reflect the committee's voice if you will. Nevertheless, good suggestions.

Thank you.

Mrs. Sarich: Okay. Thank you very much, Mr. Chair, through the last comment for that clarification. I'm not familiar with the final processes, so thank you.

The Chair: Okay. Thank you.

Any other questions or suggestions?

Then I need a motion.

Mr. Lemke: I'll make a motion that it be sent to the working group.

The Chair: Ken Lemke would move that

the Standing Committee on Alberta's Economic Future delegate to the working group the task of preparing a draft final report on the feasibility of high-speed rail in Alberta for further review by the committee.

Mr. Lemke: Thank you, Mr. Chair. I couldn't have said it better myself.

The Chair: I know.

All in favour? Opposed? Carried.

Any other business? Yes, Mr. Stier.

Mr. Stier: Yeah. Thank you, Mr. Chair. I just wanted to discuss briefly the change of schedule that we now have with the House and if this set of meeting dates, that was proposed some time ago, is still appropriate. In particular, the 16th is the first day of a long weekend for many who may have had other plans or something like that. I wondered if this had been discussed by the committee or anything at all.

The Chair: Actually, the clerk and I talked about that today. We knew that might pose some problems for some committee members. I will ask the committee clerk to see how she's going to deal with that, either by polling the members or . . .

Mrs. Sawchuk: I believe, Mr. Chair, one of the alternate dates that was suggested was the Thursday prior, so the 15th instead of the 16th. I think our kind of key issue here is that the committee must report by May 25. In order to provide sufficient time for drafting and editing and that type of thing, we need a bit of time in between the two meetings. That's about the best we could do, keeping in mind that there is a holiday Monday there. It's either move it to the 15th or not at all. I think that's really our only option.

Dr. Massolin: I was just going to add that the meeting is already scheduled. People are available at that time. We don't know what other times, necessarily, for availability.

The Chair: Would the 15th be okay, committee members?

Mr. Stier: Mr. Chair, just to your question if I could. The anticipated time duration is key here. A lot of us travel a long distance. Is it something that we can do by teleconference easily enough?

The Chair: Yes, you can. For sure.

Mr. Stier: Okay. Thank you.

The Chair: Okay.

Mrs. Sarich: I just would like some clarification, Mr. Chair. There was a bill in the House referred to this committee. Did you have any insight as to what the next steps for that would be and how soon that would be coming forward to the committee?

The Chair: Well, I mean, we have this before the committee. We have been going at it for over six months, and we have till May 25 to present our report. So I think we're going to finish this and move to the next item, bills 9 and 10. We're going to have to finish this report and present it. If we're not sitting at that time, we will present it to the Clerk, and then we will move into our next assignment.

Mrs. Sarich: Okay. Thank you.

The Chair: Yeah. We will have an organizational meeting, and we will decide. I think, you know, that probably will take more time, probably one hour to discuss because I think there will be public hearings involved with those two bills.

Ms Kennedy-Glans, welcome to the committee.

Ms Kennedy-Glans: Thank you. I am actually very happy to be on this committee. The question of high-speed rail is something that really has come up a lot with my constituents, so they're really happy this work is being done. I have a question, and I apologize, because if I'd done my own research, I would know the answer. Did you have submissions in this committee about the existence of any rights-of-way that have already been designated for a potential high-speed rail? I didn't see it in this report, and I just wondered if it's perhaps a myth in Alberta that we have land designated for high-speed rail. Based on your looks I'm assuming that's a no.

Ms Robert: The only thing we can recall was that one of the stakeholders indicated that land for a potential station in Calgary has been purchased by the government. That's it.

Ms Kennedy-Glans: Well, that's a beginning. Thank you.

The Chair: So we've heard, but do we have any evidence? Can we find out?

Ms Robert: I thought there was a news release.

The Chair: Yeah? Okay.

Ms Robert: I'm pretty sure that's where I got the information from.

The Chair: I've heard about it, but I don't have any solid evidence that I can look at and say that. Okay.

Mr. Bikman: We could FOIP it.

The Chair: But it's going to cost you.

I think the date for our next meeting is going to be Thursday, the 15th.

Some Hon. Members: The 16th.

The Chair: Leave it as Friday, the 16th?

Some Hon. Members: Yeah.

6:45

The Chair: Mr. Stier, I mean, you can participate via teleconferencing.

Mr. Stier: I won't be able to. Well, that's just the circumstances I'm in. Thank you.

The Chair: I know. I really don't expect that all 15 of us will be available on any, you know, given date.

Mrs. Sarich: Sorry. Mr. Chair, I'd like to go back to the question that was raised by Ms Kennedy-Glans. I was wondering if there could be just a perusal of the *Hansard* because my recollection is that there was some information provided by the mayor of Edmonton, and maybe there could be some other information. I don't know if that's going to help answer the question, but there could be some bits of information there that might be helpful.

The Chair: We will do that. I will ask the research staff.

Mrs. Sarich: Supplemental to that, I'm wondering if there's consideration that if there was a wish for that, if there is something, for it to be put into this report regarding your question, if you're asking that. It wasn't clear.

The Chair: Okay. I will take that to the working group.

We'll leave it to Friday, May 16, for now.

Ms Kennedy-Glans: Just to be clear, I don't wish to impose incremental expansion of your mandate just because I asked the question. I'm just curious. It's up to you whether you want to do that or not.

The Chair: I think we're curious, too. As a matter of fact, in one of the public hearings – I believe it was in Red Deer – one young farmer made a presentation, and he said that we should have been planning for this since 1905, you know, that we should have started that in 1905. I mean, if we can find out if there's anything.

Mr. Bikman: I guess the second best time is today.

The Chair: Exactly.

Okay. Anything else? Any other discussion?

If not, I will call for a motion to adjourn. Mr. Eggen. Thank you very much.

[The committee adjourned at 6:47 p.m.]

